By Mr. CURLEY: Petitions of the Federated Irish Societies of Massachusetts, Boston, Mass., protesting against any legislation to refer the question of free tolls to American shipping through the Panama Canal to an international arbitration tribunal for settlement; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWELL: Petition of the Commercial Club of Salt Lake City, Utah, favoring the passage of legislation to prohibit the importation of the plumage of wild birds for commercial use; to the Committee on Ways and Means.

By Mr. STEPHENS of California: Petition of the Chamber of Commerce, Long Beach, Cal., and the Chamber of Commerce of San Diego County, Cal., favoring the passage of legislation making an appropriation for the construction of four new battleships and necessary auxiliary boats; to the Committee on Naval Affairs.

Also, petition of the Chamber of Commerce of San Diego County, Cal., favoring the passage of legislation for the formation of a naval reserve force; to the Committee on Naval Affairs.

SENATE.

THURSDAY, *September 4, 1913.*

The Senate met at 11 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

The Journal of yesterday's proceedings was read and approved.

HOUSE BILL REFERRED.

H. R. 7207. An act granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes, was read twice by its title and referred to the Committee on Public Lands.

PETITIONS AND MEMORIALS.

Mr. WEEKS presented a memorial of the Federated Irish Societies of Massachusetts, remonstrating against the reference of the question of free tolls to American shipping through the Panama Canal to an international arbitration tribunal for settlement, which was referred to the Committee on Interoceanic Canals.

Mr. POINDEXTER presented a petition of the board of trustees of the Chamber of Commerce of Spokane, Wash., praying for the construction of four new battleships and for the formation of a naval reserve, which was referred to the Committee on Naval Affairs.

Mr. WARREN presented resolutions adopted by the Wyoming Bankers' Association, at Sheridan, Wyo., August 13, 1913, favoring the enactment of legislation looking toward the regulation of the currency system of the country, which were referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEE ON THE LIBRARY.

Mr. LEA, from the Committee on the Library, to which was referred the bill (S. 2659) providing for a monument to commemorate the women of the Civil War, reported it without amendment.

He also, from the same committee, to which was referred the amendment submitted by Mr. WARREN on July 21, 1913, proposing to appropriate $400,000 to make payment of a part contribution to the acquisition of a site and the erection thereon of a memorial in the District of Columbia to commemorate the service and the sacrifices of the women of the United States, etc., intended to be proposed to the general deficiency appropriation bill, reported favorably thereon and moved that it be referred to the Committee on Appropriations and printed, which was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 3077) providing for an exhibit by the Department of Agriculture at e Sixth National Corn Exposition at Dallas, Tex., in February, 1914; to the Committee on Agriculture and Forestry.

By Mr. McCUMBER:

A bill (S. 3078) granting a pension to Catharine Holbrook (with accompanying papers); and

A bill (S. 3079) granting an increase of pension to Frank J. King (with accompanying papers); to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 3080) providing for second homestead and desert-land entries; to the Committee on Public Lands.

A bill (S. 3081) to waive the age limit for admission to the Pay Corps of the United States Navy for one year in the case of Chief Commissary Steward Stamford Grey Chapman; to the Committee on Naval Affairs.

A bill (S. 3082) granting a pension to Samuel Rook; and

A bill (S. 3083) granting a pension to Emanuel Johns; to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 3084) granting an increase of pension to Mary Luce (with accompanying papers); to the Committee on Pensions.

THE CURRENCY.

Mr. WEEKS submitted the following resolution (S. Res. 179), which was read:

Resolved, That the report and recommendations of the Committee on Banking and Currency on the bill H. R. 7837, entitled "A bill to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes," be made to the Senate Tuesday, December 2, 1913.

Resolved further, That it is the sense of the Senate that immediately upon the making of the report and recommendations the chairman of the Committee on Banking and Currency of the Senate, or some member of that committee acting in his behalf, shall at once move that the Senate proceed to the consideration of the said report and recommendations, thereby making the report and recommendations the unfinished business of the Senate.

The VICE PRESIDENT. Shall the resolution be referred to the Committee on Banking and Currency?

Mr. WEEKS. Mr. President, I assume that under the rules it would have to lie on the table and be taken up for consideration to-morrow. One member of the Committee on Banking and Currency, who wishes to be present when it is discussed, can not be here to-day. So far as I am concerned, I am willing that the rule should be followed, and that it should lie on the table and be taken up to-morrow for discussion.

The VICE PRESIDENT. The resolution will go over, under the rule.

WOMAN SUFFRAGE.

Mr. TILLMAN. I present a letter, which I ask may be read and referred to the Committee on Immigration.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

HOUSTON, TEX., *August 28, 1913.*

Hon. BENJAMIN R. TILLMAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have just been reading your speech in the Senate, in which you mention woman suffrage. I quite agree with you; yet you are all wrong. It is not woman suffrage at all, but the cause of it. What is the reason for woman suffrage? There are nine million reasons, and there are about that many who are forced to make a scant living in shops and mills and stores. Last year, 1,500,000 people—undesirables—were dumped on our American shores. Where will they go? The West is full; the South is full; the North is full; and the East is full. However, were they not full, we should keep out the almost millions of undesirables.

The great issue—the only live issue—is, What will we do with a million and a half undesirable foreigners a year on our hands?

The second issue is, What will a million and a half undesirables a year do with us?

Cordially, yours, ARTHUR SIMMONS.

The VICE PRESIDENT. The communication will be referred to the Committee on Immigration.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the bill (S. 2319) authorizing the appointment of an ambassador to Spain, and it was thereupon signed by the Vice President.

CALLING OF THE ROLL.

The VICE PRESIDENT. The morning business is closed.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Chilton	Gallinger	La Follette
Bacon	Clapp	Gore	Lane
Bankhead	Clark, Wyo.	Hitchcock	Lea
Bradley	Clarke, Ark.	Hollis	Lippitt
Brady	Colt	Hughes	Lodge
Brandegee	Crawford	James	McCumber
Bristow	Cummins	Johnson	Martine, N. J.
Bryan	Dillingham	Jones	Norris
Catron	Fall	Kenyon	O'Gorman
Chamberlain	Fletcher	Kern	Overman

Page	Shafroth	Smoot	Thornton
Penrose	Sheppard	Stephenson	Tillman
Perkins	Sherman	Sterling	Vardaman
Pittman	Shields	Stone	Walsh
Poindexter	Shively	Sutherland	Weeks
Ransdell	Simmons	Swanson	Williams
Robinson	Smith, Ariz.	Thomas	Works
Root	Smith, Ga.	Thompson	

Mr. JONES. I desire to announce that the junior Senator from Michigan [Mr. TOWNSEND] is absent for the day. He is paired with the Senator from Florida [Mr. BRYAN]. I make this announcement to stand for the remainder of the day.

Mr. HOLLIS. The Senator from Ohio [Mr. POMERENE] requested me to state that he is attending a meeting of the Committee on Banking and Currency.

Mr. McCUMBER. My colleague [Mr. GRONNA] is necessarily absent.

Mr. HOLLIS. The Senator from Delaware [Mr. SAULSBURY] requested me to state that he is detained by important public business.

The VICE PRESIDENT. Seventy-one Senators have answered to the roll call. There is a quorum present.

THE TARIFF.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of House bill 3321.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

Mr. SHEPPARD obtained the floor.

Mr. PENROSE. With the permission of the chairman of the committee, I should like, if it does not interfere with his plans, to submit a very few remarks this morning on the chemical schedule.

The VICE PRESIDENT. The Chair had already recognized the Senator from Texas.

Mr. PENROSE. Oh, I did not understand that. I beg pardon.

The VICE PRESIDENT. The Senator from Texas will proceed.

Mr. SHEPPARD. Mr. President, the Republican Party may thank the doctrine of protection for its dissolution. No party, no nation, no man or group of men may permanently defy the truth. The Republican Party has been repudiated because protection is an infamy, a curse, a crime. The party that indorses such a doctrine must die; the government that practices it must fall. There is as much justice in taxing one man to feed and clothe another as in taxing one man to support the business of another. I believe that protection has been the source of more corruption and more woe in this Republic than any other agency outside of alcohol. Cherishing such a belief, I am against protection, both direct and incidental. I am against it wherever its envenomed head is lifted, whether in my own State of Texas or in some other State. I shall never subscribe to the proposition that as long as protection exists in Massachusetts or in Pennsylvania it must be preserved in Texas, or that as long as protection is kept on one article it shall be retained on another. I can never consent to the idea that as long as another man is permitted to steal I propose to steal also. If I could not destroy protection in Massachusetts or in Pennsylvania now, that fact would not deter me from making every effort to destroy it in Texas now or wherever else I could strike it. In the name of the people of Texas I denounce protection as one of the giant evils of the time, and in their name I would do what I could to wrest unholy tariff privileges from the favored few in Texas without regard to whether I could immediately reach the pampered class elsewhere, and I would never arrest my efforts to eradicate this evil from every foot of American soil. Happily, sir, this bill represents a general assault on protection from one ocean to the other, and when enacted into law will so impair the foundations of this vicious system that its doom may be easily foretold.

The Democratic Party has survived the defeats of 50 years because its sympathies are with the people. It has shown a vitality almost miraculous because it would translate human brotherhood into human laws. It has evidenced its loyalty to the American people, its love of justice, and its capacity for united and intelligent action in the tariff bill it now presents. What the Republican Party failed to do in 1909 the Democratic Party has done in 1913. The popular command for a substantial revision of the tariff taxes which the Republican Party disregarded in 1909 has been literally and courageously obeyed by the Democracy in 1913. The Underwood-Simmons bill carries more relief from excessive taxation for the American people than any other tariff measure in the 56 years since 1857. It does not attempt an entire overthrow of the protective system at this time, the disease being so deeply seated that conservative treatment is required. It represents a reduction of present tariff burdens to an average extent of nearly 30 per cent, while many of the basic necessities of life and industry are entirely relieved of taxation. It is a measure in the interest of the hundred millions of people who compose the American Nation. It means lower taxes for every man, woman, and child beneath the American flag. The strength of the bill lies in the fact that it promotes the universal good. The taxes on chemical articles of general consumption, including almost all medicinal preparations, have been materially reduced.

The materials that enter into the construction of the American home have either been freed from taxation altogether, as in the case of lumber and cement, or have been given large reductions, as in the case of brick, tile, window glass, and the like. Iron ore, the basic product of perhaps our greatest industry, has been transferred to the free list, while notable decreases have been made in the finished articles of iron and steel. Indeed, such items in this class as cut nails, horseshoe nails, wire nails, spikes, horse and mule shoes, tacks and brads, barbed wire, other fence wire, baling wire, agricultural drills and planters, beet-sugar machinery, sugar-cane machinery, cotton gins, cultivators, harvesters, headers, horse rakes, mowers, plows, reapers, thrashing machines, tooth and disk harrows, wagons and carts, all other agricultural implements, steel rails, cash registers, linotypes and typesetting machines, sewing machines, and typewriters have been emancipated from all tariff rates whatever. Sugar, that universal necessity of the American table, has been delivered from crushing tariff duties because its domestic manufacture under present conditions has become such an expense to the American people that it must be compelled to stand on its own merits. The duties on the great bulk of agricultural products with which the Republican Party has so long deluded the American farmer are either removed or lowered. When once the American farmer sees by actual demonstration the emptiness of most of these duties he will no longer permit himself to be made the plundered partner of protection. The taxes on cotton cloths have been reduced from 42 to 26 per cent; on cotton handkerchiefs, from 59 to 25 per cent; on cotton underwear, from 60 to 30 per cent; on woolen blankets, from 72 to 25 per cent, the cheaper grades being free; on flannels, from 93 to 25 and 35 per cent; on ready-made clothing, from 50 to 30 per cent; on oilcloths for floors, from 44 to 20 per cent.

Print paper of the more common grades has been placed on the free list, while the rates on the more expensive grades have been substantially reduced. Copying paper, writing paper, photographic paper, common wrapping paper, paper bags, and envelopes have all experienced a distinct reduction. Bibles and other religious publications, all textbooks used in schools and other educational institutions, books for the blind, are put upon the free list, while on all other books there is a large decrease. Let me say here that the item of books for the blind was adopted partly in the interest of the Republicans, having in view the politically as well as the physically blind. Boots and shoes, harness and saddlery, hides, leather, tanned skins, binding twine, and cotton bagging are all on the free list. An income tax is provided which compels the wealth of the country to share the burdens of taxation. Such is only a partial description of the reductions in the new tariff law, but it will be sufficient to indicate the blessings it bestows on the American people.

Mr. President, bitter as have been the criticisms of this bill they have not been directed against its principal achievement. No opponent of the Democracy has dared to criticize the fact that this bill tremendously reduces the tariff burdens of the American people. Individual features have been denounced; the rates or absence of rates on particular articles have been condemned. And indeed, sir, the Democrats would have been more than human if they had been able to have adjusted the duty on every item among the 4,000 carried in this bill in such manner as to be proof against all objection. When it is remembered that the Democrats are not building a tariff system anew, but are compelled to begin the demolition of a high protective tariff that has been in operation for almost 50 years, and has become interlinked with the vital parts of many industries, it is almost a miracle that they are able to present a bill making such progress in the right direction.

When it is realized that the owner of no particular product has the right to insist that it be benefited by a tariff tax, but that the American people have the right to say where tariff taxes shall be placed from the standpoint of the general good, it will be seen that whatever inequalities may remain in the distribution of the incidental protective benefits of this bill are not the result of favoritism in any sense, but have been mini-

mized as far as possible and indeed outweighed by the deliverance brought to all the people from exorbitant taxation.

One of the items in this bill that has been subjected to especial denunciation is the removal of the duty on sugar after an interval of three years, during which there is to be a reduction of 25 per cent. It has been demonstrated that the maintenance of the sugar industry is costing the American people about $125,000,000 every year, only $50,000,000 of this going to the Government in the shape of revenue. The consumption in the United States in 1912 was in round numbers 3,500,000 tons, and the duty is 1.9 cents per pound, the conditions in this industry being such that the full duty is added to the price. The sugar consumed in the United States has the following sources of production:

TABLE A.

	Tons.
Louisiana (raw)	160,000
Texas (raw)	10,000
Domestic beet (refined)	604,045
Maple and molasses sugar (raw)	15,155
Total continental United States	789,200
From Hawaii, Porto Rico, and the Philippines (raw)	943,769
From Cuba (raw)	1,664,863
From other foreign sugar paying full duties (mostly raw)	106,350

I now wish to submit a table giving a comparison of export prices of raw and granulated sugar at Hamburg and wholesale prices of the same at New York from 1900 to 1911, inclusive, a table taken from the able speech on this subject by Representative HARDWICK, of Georgia, chairman of the special committee of the House that investigated the entire sugar industry.

TABLE B.—*Comparison of export prices of sugar at Hamburg and wholesale price of same at New York, 1900 to 1911.*

(Cents per pound.)

Year.	Raw sugar.			Granulated sugar.		
	Export price, Hamburg.	Wholesale price, New York.	Difference between export price at Hamburg and wholesale price at New York.	Export price, Hamburg.	Wholesale price, New York.	Difference between export price at Hamburg and wholesale price at New York.
1900	2.24	4.56	2.32	2.64	5.32	2.68
1901	1.88	4.04	2.16	2.29	5.05	2.76
1902	1.43	3.54	2.11	1.79	4.45	2.66
1903	1.81	3.72	1.91	2.11	4.63	2.52
1904	2.14	3.97	1.83	2.55	4.77	2.22
1905	2.55	4.27	1.72	3.00	5.25	2.25
1906	1.87	3.68	1.81	2.31	4.51	2.20
1907	2.05	3.75	1.70	2.40	4.65	2.25
1908	2.29	4.07	1.78	2.63	4.95	2.32
1909	2.35	4.00	1.65	2.78	4.76	1.98
1910	2.74	4.18	1.44	3.22	4.97	1.75
1911	2.82	4.45	1.63	3.20	5.34	2.14
Average	2.18	4.02	1.84	2.58	4.89	2.32

I take the liberty to quote from Mr. HARDWICK's analysis of these prices, as follows:

They show that during the 12 years for which the figures are given the average difference between the export price of raw sugar at Hamburg and the New York wholesale price of raw sugar averaged 1.84 cents per pound, whereas the tariff on raw sugar was 1.685 cents per pound, and the insurance and freight from Hamburg to New York 0.12 cent per pound, a total of 1.805 cents per pound. They also show that during this same period of years the average difference between the export price of granulated sugar at Hamburg and the wholesale price of granulated sugar at New York was 2.32 cents per pound, whereas the tariff during three-fourths of this period was 1.95 cents per pound and during the last three years 1.90 cents per pound, and the cost of insurance and freight from Hamburg to New York 0.12 cent per pound, to which should be added 0.18 cent per pound for difference in grade, making a total of 2.25 cents per pound. In other words, the table demonstrates conclusively that during the 12 years that it covers the American consumer paid every penny of the duty on sugar and could have bought his sugar almost 2 cents per pound cheaper but for the existence of the tariff tax.

Mr. HARDWICK then proceeded to show that from 1897 to 1912, inclusive, the people of the United States had consumed 43,274,605 long tons of refined sugar; that during 12 years of this period the Dingley rate of 1.95 cents per pound on refined sugar had been in force and during the last 4 years the Payne rate of 1.90 cents per pound; that the Dingley rate was equivalent to $43.68 per long ton, while the Payne rate was equivalent to $42.56 per long ton; that this sugar duty had consequently cost the American people during the above period two thousand millions of dollars, only eight hundred millions of which had gone to the Government as revenue, one thousand two hundred millions being pure tariff booty.

The exhaustive investigation by the Hardwick committee developed the fact that the cost of producing raw cane sugar in Louisiana is 3.75 cents per pound; in Java, 1.5 cents per pound; in the Philippines, 1.75 cents per pound; and in Porto Rico, Cuba, and Hawaii, about 2 cents per pound. It showed that the annual gross value of the Louisiana crop is about $25,000,000. It showed that the 76 beet-sugar factories in the United States have a total capitalization of over $141,000,000, representing from two to two and one-half times their actual value, and that on this excessive capitalization handsome dividends are regularly paid. It showed that without the tariff beet sugar could be produced here in competition with the world, partly on account of the interior location of the factories and the freight rates from the seaboard. Clearly it would be asking too much of the American people to submit to a further forced contribution of $125,000,000 every year for the sake of a domestic industry three-fourths of which, beet sugar, can beyond question exist without any tariff, the other fourth, cane sugar, being produced to-day under such conditions that its advocates confess it must be maintained at public expense.

The other principal criticism of this bill is that there has been discrimination in favor of manufactured articles as against agricultural products. It is contended that the bill discriminates against the farmer in the interest of the manufacturer, that it discriminates against the South and West in favor of the North and East.

Mr. President, it is true that the principal farm products of the United States have been placed on the free list. It is true that the bulk of our manufactured products remains on the taxed list, although at a greatly reduced figure, and that, measured by percentages, the tariff reductions and removals are much greater as to farm articles than as to manufactured articles. But, sir, any bill that proposes, as does this Underwood-Simmons bill, to raise $266,000,000 in revenue must necessarily put the larger portion of tariff taxation on manufactured products, and conditions are such that whatever duties are placed on the principal agricultural products can have practically no protective effect as to most of them and but little as to the others. Let me direct attention to 16 great farm articles, constituting in value over nine-tenths of all American farm products, and in the cultivation of which the overwhelming majority of American farmers still engages. These 16 articles are cattle, corn, cotton, cotton seed, cream, eggs, hay, horses, milk, mules, oats, poultry, potatoes, sheep, swine, and wheat. The total importations of similar articles amounted to less than one-fourth of 1 per cent of the total home value in the fiscal year of 1909–10, less than one-third of 1 per cent of the total home value in the fiscal year 1910–11, less than one-half of 1 per cent of the total home value in the fiscal year of 1911–12, less than one-third of 1 per cent of the total home value in the fiscal year of 1912–13. Fourteen of these articles—that is, all except cotton and cotton seed—are taxed under the Payne-Aldrich law at an average rate of about 27 per cent, and the entire 14 produced an average annual revenue during the last four fiscal years of less than $4,500,000 as against a revenue of over $234,000,000 produced each year during the last four fiscal years from manufactured goods, the Payne-Aldrich rates on which averaged over 40 per cent.

The small volume of importations competing with these 16 articles will occasion no surprise when it is stated that the surplus of said articles exported exceeded $90,000,000 during the fiscal year of 1909–10, $83,000,000 during 1910–11, $80,000,000 during 1911–12, and $145,000,000 during 1912–13, outside of cotton and cottonseed exports. Including the last two items, the exports of these articles have had an average during the last four fiscal years exceeding $636,000,000. (For substantiation of these figures, see appendix.) The fact that so many of our agricultural products are sold abroad, and indeed must be sold abroad in competition with foreigners and the labor of foreigners on their own ground, is an added evidence of the superfluous and nominal character of tariffs on importations competing with most of our principal agricultural products when such tariffs are considered from the viewpoint of protection.

Mr. President, I reside in the foremost agricultural State of the Union, the State of Texas. Last year Texas took the lead among the States in the value of its agricultural output, although it had in cultivation only 27,000,000 of its 168,000,000 acres. The people of Texas know that on account of the smallness of competing importations, the complete supply of the home market, and the exportation of a surplus, conditions characterizing the principal agricultural products, the tariff on these products is insignificant from the standpoint of protection or of revenue when compared with the tariff on manufactured goods; that the price of the surplus of agricultural products that must be disposed of abroad generally regulates the price of the prod-

uct at home; that the effect of foreign competition is practically nullified when home production completely supplies the home market; and that the lower we make our American tariffs on foreign goods of all kinds the greater will become the value of our agricultural products which have a surplus, because such value depends in the final analysis on their exchangeability for foreign articles.

I am aware that on the remaining farm products not included in the 16 heretofore enumerated, without counting tobacco and wool, the Payne-Aldrich law raised a revenue of about $32,000,000 in 1910. I am aware that on the remaining farm products not included in the 16 heretofore enumerated, without counting tobacco, wool being on the free list, and 12 of the 16 articles above mentioned being also on the free list—that is, all of the 16 except horses, mules, oats, and hay—the Underwood-Simmons bill is able to raise over $21,000,000 in revenue, with an average tariff rate on its dutiable agricultural products of about 15 per cent. I am aware that wool and tobacco produce some $36,000,000 in revenue under the Payne-Aldrich law, and that tobacco under the Democratic bill will produce about $22,000,000. Adding the revenues from wool and tobacco, which articles represent in value less than 2 per cent of the total agricultural production, it will be seen at once that by far the larger portion of tariff revenue must of necessity come from manufactured goods, and that the duties on almost the entire mass of farm products represented by the 16 I have mentioned are of little significance. Since three-fourths of our manufactured products are made east of the Mississippi and north of the Ohio, the bulk of tariff taxation must of necessity be imposed on imports competing with the commodities of that section.

The Republican Party has secured the support of the farmer for the protective system by the maintenance of these agricultural duties, and has made him the instrument of his own spoliation. The high duties placed by Republicans on manufactured goods not only compel the farmer to buy his supplies in a domestic market dominated by combination and monopoly, while he must sell his own product in competition with the world, in spite of the meaningless duties on the insignificant volume of competing imports, but also impedes the sale of his surplus abroad, by reason of the high rates levied by other countries against all American products in retaliation against our own exorbitant tariff charges. Thus the farmer is fundamentally outraged by the Republican protective tariff. In view of these conditions, what could be more amusing than the spectacle of Republican Senators weeping for the farmer, whom Republican tariffs have robbed for 50 years? What really grieves them is not the removal of these deceptive duties from the farmer's goods, but the fact that the Democratic tariff bill will enable the farmer to see that his pretended friends are his enemies and his exploiters. If this bill does no more than demonstrate the true character of most agricultural tariffs, with which protection for manufacturers has been so cunningly buttressed, if it does no more than reveal to the farmer the protective conspiracy against him, it will have justified its enactment a thousand times over.

The reductions and removals of the tariff rates on hundreds of manufactured articles used by the farmer will far outweigh any loss that may result from the disappearance of certain agricultural duties. These reductions and removals will bring such prosperity to the people in general, such a saving on what they must expend for manufactured goods, that they will be in better position to purchase farm products, will be enabled to purchase more of them, and a relative but no less beneficent decrease in the cost of living will ensue.

The wisdom of placing wool and keeping hides on the free list is demonstrated by the fact that the tariff rates on woolen goods are enormously lowered and leather goods made free of tariff charge. The dissolution or circumvention of the Beef Trust, a menace alike to the cattle producer and the meat consumer, is as much a part of the Democratic program for a lower living cost as the revision of the tariff and will lead to lower prices of meat in the centers of population without reducing the price at the farm. A recent investigation by the Department of Agriculture developed the fact that the farmer receives on an average only 50 or 60 per cent of the prices paid for his product by consumers in the towns and cities. Already the new Democratic Secretary of Agriculture has begun a comprehensive study of marketing conditions, to the end that the farmer may obtain a larger share of the price paid for his product by the final consumer and that through the elimination of unnecessary expense and unfair handling charges the consumer may obtain a better article at a lower price. The profits absorbed by trusts and by combinations of middlemen and carriers from the farmer on the one hand and the consumer on the other have been so enormous that it is entirely probable that the restoration of normal conditions will mean higher prices for the farmer, cheaper prices for the consumer, still leaving a decent profit to legitimate merchants, legitimate manufacturers, legitimate transporters, legitimate brokers.

Mr. President, agriculture flourished thousands of years before tariffs were devised to serve the power and the greed of man. It began with the first family of the human race, for it is said in Genesis of the sons of Adam: "And Abel was a keeper of sheep, but Cain was a tiller of the ground." To-day agriculture is the chief occupation of mankind. It would indeed be a blasphemous commentary on the wisdom of the Creator, whose own lips ordered humanity to the soil, if such a vocation depended on so vicious a human invention as that of taxing the many for the few.

The very fact that the multitudes of the earth are engaged in agriculture makes them the victims of special privilege, not its beneficiaries. The determining feature of special favors arising from tariff taxes is the impoverishment of the many for the enrichment of the few. The moment a benefit is divided among the great majority of men it loses the character of a special privilege. Agriculture had been in permanent and successful operation in America more than a hundred years, and surpluses were being sent abroad when the United States began in 1789, and the tariff of that year was designed particularly to inaugurate and encourage manufacture. If any man had proposed a division of duties between manufacture and agriculture at that time he would have been ridiculed from Savannah to Cape Cod. As agriculture was the principal source of wealth when this Republic began it necessarily sustained the burden of tariff taxation in order that manufactures might be established here. When manufacture became permanently rooted within our borders the protective rates were continued and agriculture was still exploited. From the beginning of the Republic to the present day there has never been an hour when agriculture could not have prospered without a tariff, as indeed it had prospered before our Government was organized, as it had prospered through all the prior ages of the world. Millionaire manufacturers have become so common as to excite no comment, while the agricultural masses have hardly a bare subsistence, the net earnings of the average farmer being about $318 per year. And yet the Democrats are denounced as the enemies of the farmer because they have dared to take these treacherous duties from the principal products of the farm, have dared to show the farmer how he has been betrayed. The Democratic deliverance of the farmer from the grasp of protection might well have been in the contemplation of Ezekiel when he said:

> And the tree of the field shall yield her fruit, and the earth shall yield her increase, and they shall be safe in their land, and shall know that I am the Lord when I have broken the bands of their yoke and delivered them out of the hands of those that serve themselves of them. And they shall no more be a prey to the heathen, neither shall the beasts of the land devour them; but they shall dwell safely and none shall make them afraid.

Sir, there is nothing nobler in the range of human enterprise than the promotion of agriculture, the advancement of the farm.

> "Ah! the city may lure and attract us,
> But the country is God's. It is rife
> With the peace and the sanctified service,
> Which mark what His angels call life."

And I can conceive of nothing more outrageous than this Republican tariff system which despoils the farmer while claiming to protect him.

I now desire to examine the principles that should govern the construction of a tariff act from the Democratic viewpoint. It has not been possible to make an unqualified application of these principles in the pending bill because we are confronted by abnormal conditions resulting from 50 years of Republican misrule and calling for gradual processes. In certain instances, however, where abuses have become so flagrant as to demand radical action, or where existing duties are without the semblance of excuse, we have not refrained from an immediate transfer to the free list. I shall now undertake to give my conception of the rules that should be followed in the enactment of a Democratic tariff law were we in position to wipe out all existing rates and put these rules into instant operation.

Before discussing these rules, however, let us examine briefly the nature of tariff taxes. Among the principal abuses arising from a protective-tariff system are privileges for the few, an unjust distribution of tax burdens among the many, extravagance and corruption in Government expenditure. It is possible to arrange tariff rates in many instances so as to modify the first evil until it reaches insignificant proportions. It is not possible to arrange tariff rates in so far as they affect prices in such manner as not to discriminate against the masses. A tariff tax is a tax on consumption, and the rich man need consume no more than the poor man in order to sustain life and

acquire its comforts. Rich and poor will, as a rule, contribute equally to the support of the Government under a system of tariff taxes. The discrimination is as inevitable as it is vicious. Moreover, the very fact that tariff taxes are levied indirectly lessens the legislator's sense of responsibility, breeds extravagance, and invites corruption. Even the benefits of the tariff from the standpoint of protection for producers are not capable of equal apportionment.

The benefits of a tariff tax depend on the amount and value of the importation on which the tax is levied and can not be apportioned like a property tax or according to the generally understood principles of taxation. For the same ad valorem tariff tax to confer equal benefits on two articles the corresponding importations must be practically identical with the articles with which they are respectively expected to compete, and each importation must be of sufficient volume to affect prices of the parallel home article to the same extent. For instance, raw wool from Australia may shrink only 52 per cent, while the raw wool with which it is supposed to compete here may shrink fully 80 per cent and may vary in weight, fineness, elasticity, strength of fiber, working quality, and so forth, to such an extent from the Australian article as to be adapted to a different use in cloth manufacturing and may not be affected in price by the advent of its supposed competitor, at least not to the extent of the duty.

On the contrary, the same tax may be levied on dress goods resembling the domestic article so clearly as to be an exact substitute and raise the price by the entire amount of the duty. That the volume of importation should be sufficient in both cases to affect the price and must continue so requires no explanation. For specific tariff taxes on two articles to give equal benefit the articles must be equal in value to begin with and must continue so. The articles on which ad valorem taxes are levied need not be equal in value to begin with to give the same proportionate benefits, but the initial proportion must continue. If a house goes down in value, the proper authorities will lower the property tax on proper proof. If an article on which a tariff is laid goes down in value, the machinery of government will not be stopped to adjust the tariff tax in reference to that article alone. Again the same conditions as to value must exist as to difference in cost of production at home and abroad. When we remember that there are 4,000 articles in the various tariff schedules, with varying volumes of competing importations, volumes varying from year to year, with varying differences in cost of production at home and abroad, that these articles are of varying value and of varying character and of varying susceptibility to the price-raising influences of the tariff, the impossibility of spreading tariff taxes over the class of protectable commodities in such manner that tariff benefits will be equally distributed becomes so evident as to require no further argument. Furthermore, the tariff tax, being levied on articles imported from foreign countries, not only raises the price paid by the actual buyer of the imported articles, but the price of every similar article used in this country, if it represents more than the difference in cost of production at home and abroad. The importer pays the excess occasioned by the tariff charge to the Government for revenue, while the owner of similar articles in this country puts the excess he is thus licensed to charge in his own pocket.

A direct property tax possesses no such characteristic. Let it be kept in mind that only a limited number of people in this country produce articles that are subject to the protective operation of a tariff tax. Consequently a tariff tax is a double evil, in that it tends to burden the poor equally with the rich, while in the very nature of things it can benefit only the class owning the articles that may be benefited by it, and, as we have seen, even these benefits are incapable of equal distribution among the privileged class. How empty, Mr. President, is the declaration we sometimes hear, "If the tariff is a blessing, let it be equally shared; if a burden, let it be equally borne." Neither the blessings nor the burdens of tariff taxation are capable of equal distribution. For this reason I would welcome the abolition of the tariff as a permanent system of taxation as soon as practicable. For these reasons I say that the true Democratic tariff act is the act that confines tariff evils within the smallest possible limit.

How, then, shall we levy tariff taxes so as to make them least burdensome to the people, least beneficial to the favored class, and at the same time productive of the needed revenue? Democrats believe that a tariff should be levied for revenue only, because the Government has not the right to take one penny of the people's earnings except for the expense of government economically administered. To achieve these ends I believe that the tariff taxes needed to produce a given amount of revenue should be distributed over all products capable of furnishing revenue, except products which for particular reasons should be subjected to no tax whatever. The larger the number of articles we tax, the smaller becomes the tax that may be placed on each and the smaller becomes the element of protection. That celebrated Democrat, Robert J. Walker, in his first annual report as Secretary of the Treasury, in December, 1845, laid down the following rules for the preparation of tariff laws:

First. That no more revenue should be collected than is necessary for the wants of the Government economically administered.

Second. That no duty be imposed on any article above the lowest rate which will yield the largest amount of revenue.

Third. That below such rate discriminations may be made descending in the scale of duties; or, for imperative reasons, the article may be placed in the list of those free from all duty.

Fourth. That the maximum revenue duty should be imposed on luxuries.

Fifth. That all minimum and all specific duties should be abolished and ad valorem duties substituted in their place, care being taken to guard against fraudulent invoices and undervaluation, and to assess the duty upon the actual market value.

Sixth. That the duty should be so imposed as to operate as equally as possible throughout the Union, discriminating neither for nor against any class or section.

It will be observed that in rule 3 Walker holds in effect that discriminations may be made in the imposition of duties on various articles, even to the extent of placing some on the free list, while others remain on the taxed list, no duty, however, to be above the lowest rate that will yield the largest revenue. In rule 6 he asserts in effect that the duty on any particular article shall be so imposed as to operate as equally as possible throughout the Union, discriminating neither for nor against any class or section. In another part of this report he gives instances of duties in the Whig tariff of 1842 that were so laid as to operate unequally and with discrimination, and he evidently had such instances in mind when he announced rule 6. It will be best to use his own language:

Thus, by the tariff of 1842 a duty of 30 per cent ad valorem is levied on all manufactures of cotton; but the law further provides that cotton goods "not dyed, colored, printed, or stained, not exceeding in value 20 cents per square yard, shall be valued at 20 cents per square yard."

If, then, the real value of the cheapest cotton goods is but 4 cents a square yard, it is placed by the law at the false value of 20 cents a square yard and the duty levied on the fictitious value, raising it five times higher on the cheap article consumed by the poor than upon the fine article purchased by the more wealthy. Indeed, by House Document No. 306 of the first session of the Twenty-eighth Congress this difference by actual importation was 65 per cent between the cheaper and the finer article of the 20 per cent minimum, 131 per cent on the 30 per cent minimum, 48½ per cent on the 35 per cent minimum, 84 per cent on the 60 per cent minimum, and 84 per cent on the 75 per cent minimum. This difference is founded on actual importation and shows an average discrimination against the poor on cotton imports of 82 per cent beyond what the tax would be if assessed upon the actual value. The operation of the specific duty presents a similar discrimination against the poor and in favor of the rich. Thus, upon salt, the duty is not upon the value, but it is 8 cents a bushel, whether the article be coarse or fine, showing by the same document, from actual importation, a discrimination of 64 per cent against the cheap and in favor of the finer article; and this, to a greater or less extent, is the effect of all specific duties.

Rule 3 applies to the distribution of duties from the standpoint of benefits to producers, recognizing that lower rates may be placed on some articles than on others and that there may be a complete removal of the tariff on some articles, while others are still taxed. It is equally evident that rule 6 applies to the operation of a duty on consumers after it has been laid, holding that it shall not be imposed so as to discriminate against classes or sections. In the quotation I have used Mr. Walker shows how minimums and specific duties discriminate against the poor and against those sections where cheaper grades of the articles he describes may be most largely used. Considered in connection with rule 5, rule 6 is evidently intended to justify ad valorem duties as a substitute for minimums and specific rates.

Indeed, after discussing minimums and specific duties in the excerpt I have given from his report, he proceeds to show how a tax upon the actual value would be the most equal and could only be accomplished by ad valorem duties. It is astounding that the advocates of taxed raw materials within the Democratic Party should cite the Walker rules as a basis for the assertion that as long as a tax is placed on the manufactured article it should also be placed on the raw material. As we have seen, rule 6 has no application to the distribution of duties on various articles from the standpoint of protective benefits, but applies only to the operation of a duty among consumers on a particular article. Rule 3 applies to the apportionment of duties, and plainly recognizes that certain articles may be singled out for the free list while others bear a tax; that lower taxes may be placed on some articles than on others; discriminations among commodities being thus declared permissible, no duty, however, to be above the lowest point at which it will yield the largest amount of revenue.

Mr. President, there is a broad and just philosophy underlying the Democratic position that tariffs should be adjusted from the standpoint of the people as a whole. The welfare of the whole is superior to the welfare of the one or the few. All the people of the United States do not produce articles subject to protective benefit. Only a small part, comparatively speaking, produces such articles, whether raw materials or finished products. Not an individual in the class subject to protection has a right to ask the Government to place a tariff on the import competing with his own product, because to the extent that such a tariff is protective it is a license to plunder. The American people, however, have a right to place the tariff where it will be least burdensome to them.

It is now proper to discuss the reasons for placing certain articles on the free list. It is my conviction that the basic necessities of life and the basic necessities of industry should not be subjected to tariff taxation. Bread, meat, the more common grades of clothing, of headwear and footwear, fertilizers, agricultural implements, the principal seeds, medicines in general use, lumber, coal, iron ore, wool, hides, and the like should, in my judgment, go to the free list. A tax on such articles is a burden on the Nation's inhabitants and the Nation's industries at the very source of their existence. It is a handicap on the daily lives of the masses and on the development of our resources. We have been able to place most of these articles on the free list in the present Democratic bill; the rest will follow in due time.

The raw materials of manufacture should be placed on the free list because a lower duty may then be placed on the finished product than would be the case with taxed raw material and the protective element minimized as far as possible. That tax is lightest which is levied on an article in the finished shape because it is then in the stage of manufacture nearest the people. If the tax is levied on an article in its earliest stage of production interests and profits are added to the amount of the tax every time the article passes through different hands on its way to the people. And so the tax grows at a compound ratio as to interest and profit until the people are reached. Let us suppose that a tax is placed on iron ore and coal. The iron ore is converted into pig iron, pig iron is converted into steel, steel into cutlery, and the cutlery passes from manufacturer to jobber, from jobber to retailer, from the retailer to the people. Even if no intermediate taxes were levied, the original tax would probably have doubled through the compounding of interest and profit every time the original article changed hands in passing through the various processes on its way to the people. Suppose a tax is placed on hides. The hides go to the packer or the tanner, then to the various leather manufacturers, and then in finished form to the jobber, the retailer, the people, and the same process occurs. Clearly the tax should be placed on an article in the stage of development nearest the people in order to bear least heavily upon them.

There are additional reasons for putting raw materials of manufacture on the free list where foreign countries admit similar articles free of duty. For instance, England, France, Germany, Austria, Italy, and perhaps other countries whose woolen mills are the chief rivals of our own admit raw wool without a tax. The woolen mills of these countries could undersell American factories in America as well as in foreign markets with their raw material untaxed and ours taxed. Whatever advantage the American producer of raw material might derive from the tax would be more than overbalanced by the loss of his home market and the necessity of sending his goods abroad. In fact, the disappearance of factories here would stop importations of raw wool, and the tax would amount practically to nothing from the standpoint of revenue. It is to the immediate interest of the American woolgrower that nothing be done to impede the conversion of his raw material into the finished product in his own country. A tax on raw wool alone would amount to the completest kind of protection for the foreign manufacturer. With taxed raw material and no compensating duty on the finished product the manufacturer would not only be helpless here against foreign competition, but still more helpless abroad. Raw material is useless unless it can be converted into the finished product; both finished product and raw material are valueless unless the finished product can be advantageously sold at home and abroad. The proper compensation of the manufacturer for the tax on raw materials involves a larger tax on the finished product on account of interest, profits, and charges connected with carrying the raw-material duty. To place the manufacturer in the same position as if he had free wool in order to put him on the same basis in this regard with foreign competitors he must be reimbursed for interest on the amount expended for and the loss connected with carrying the duty on the raw material, and so the initial tax begins to grow. Furthermore, if the duties are divided equally between the finished product and the raw material, nothing has been gained, so far as the foreign market is concerned, because the duty on the finished product is without effect abroad.

The handicap of the tax on raw materials fetters American industry in every market where competitors are freed from such restrictions. Observe the experience of the Democratic caucus of the House of Representatives in the last Congress. The Democratic majority of the Ways and Means Committee finally decided to put a tax of 20 per cent on raw wool. After a close examination of the effect of this duty on the woolen industry they found the compensating element could not be avoided, and the result was a recommendation by a Democratic committee of a tax of 44 per cent on woolen goods. The La Follette measure of last year and of this year recognizes the same condition and puts a much higher duty on woolen goods than on raw wool.

If the tax on raw material leads to such conditions when a revenue basis is the object in view, to what possible extremities will an avowedly protective arrangement lead? A brief history of the present Republican duties on raw wool and on woolen goods will show the accumulative results of a tax on wool, the relation of raw wool to the finished product, and the relation of a tax on wool to the whole system of protection. On December 13, 1865, the woolgrowers and the wool manufacturers of the United States held a convention at Syracuse, N. Y. After discussing conditions this convention addressed a memorial to the Federal Revenue Commission, which was then gathering tariff data throughout the country for the information of Congress. The memorial requested equal encouragement and protection for both woolgrower and wool manufacturer. It recited the fact that the tariff of 1846 had placed a duty of 30 per cent on both wool and woolens and stated that this was unfair to the manufacturers in that it left them without protection against foreign rivals who had free wool. The tariff of 1857, which practically placed wool on the free list and a duty of 24 per cent on the finished product, was referred to, but it was stated that this tariff did not remain in force long enough to secure permanent results.

It was then stated that the tariff of 1864 had been framed with a view to placing grower and manufacturer on an absolute equality. Regarding this and other Republican measures, the memorial said:

> The object sought in these bills was to give a sufficient protection to the woolgrower and to place the manufacturer in the same position as if he had his wool free of duty. A duty supposed to be sufficient to protect the woolgrower against wools competing with his own was placed on such wools and such a specific duty was placed on woolen clothes as was supposed to be sufficient to reimburse the manufacturer for the amount of the duty placed on the wools. The ad valorem duty on woolen goods was added to reimburse to the manufacturer the expense of carrying the duty on wools, the internal taxes, the duties on drugs and other materials used in manufacture, and to furnish the required protection.

The memorial then asked for a duty of not less than 10 cents per pound and 10 per cent ad valorem on raw wool and a duty on woolens equal to 25 per cent net; that is to say—and I quote the exact language:

> Twenty-five per cent after reimbursing the amount paid on account of duties on wool, dyestuffs, and other imported materials used in such manufacture, and also the amount paid for the internal-revenue tax imposed on manufactures and upon the supplies and materials used therefor.

So we find the woolgrower joining with the manufacturer in asking that the manufacturer be placed in the same position as if he had free wool on account of the untaxed wool of foreign rivals and consenting to enormous compensatory and protective duties on woolen goods in order that the woolgrower himself might have what he considered protection. The woolgrower recognized the necessity of placing the manufacturer on an equal basis as to raw material with foreign competitors, in order that the industry might be preserved here as well as abroad and a market maintained here for raw material, but in order to secure protection for himself he consented to the higher tariffs on the finished product which his own duty necessitated, thus placing the expense of maintaining that equal basis on the American people. The same object of an equal basis could be obtained at far less expense to the American people by admitting raw wool free in the first place, and by placing the lowest possible revenue charge on woolen goods.

The tax on woolen goods could then be levied, if levied at all, solely from the standpoint of revenue as soon as practicable, and would have in it no element of compensation or of interest on a prior tax. The appeal of the Syracuse convention of woolgrowers and wool manufacturers resulted in the tariff of 1867, and the growers and manufacturers have stood together ever

since in fostering a system of inordinate and cumulative taxation on the American people.

In the tariff of 1867 the scheme of wool and woolen duties was adopted which has obtained in Republican tariff legislation ever since. Wool was divided into three classes—carpets, clothing, and combing wool. Carpet wools are not produced here, because the same labor and expense will make finer grades, but a tax was levied on them nevertheless. The duty on carpet wools was fixed at 3 cents per pound if costing 12 cents or less, 6 cents if costing more. Clothing wool has a comparatively short fiber; it is carded for spinning, and is used in making cloths, cassimeres, and other common woolen fabrics. Combing wool has a longer fiber. It is combed and machined for spinning, and is used in making worsted goods and other fabrics of soft and fine texture. Clothing and combing wools valued at 32 cents a pound or less were taxed 10 cents per pound and 11 per cent ad valorem in the act of 1867; valued at over 32 cents, 12 cents a pound and 10 per cent ad valorem. These duties amounted to about 11 cents a pound on an average and equaled a duty of about 50 per cent on imported wools. Now, observe what happened. In arranging the duty on woolen goods it was calculated that 4 pounds of unwashed wool were needed to make a pound of cloth, and the manufacturer was compensated on this basis in figuring the duty on the finished product, when in reality it takes only 3 pounds to make a pound of cloth. He was also compensated on the same basis for the interest on the duty on raw wool. He was also given a compensation of 10 per cent for the internal-revenue taxes he was paying at that time. The internal-revenue tax was soon repealed, but the woolen manufacturer has been getting a compensation for the tax ever since. He was also compensated for duties on drugs, dyestuffs, and oils.

The final result was a specific tax on woolen goods of 50 cents a pound to compensate for raw materials on the fictitious basis described, an ad valorem duty of 10 per cent to offset the internal-revenue tax, although this internal-revenue tax was soon repealed, and a further ad valorem duty of 25 per cent for net protection. Indeed it was a net of protection in which the consumer was to be hopelessly entangled. These ad valorem duties on woolen goods were actually increased in the Republican tariff acts of 1883, of 1890, and of 1897, reaching 55 per cent in the act of 1897 in addition to the specific duties, at which point they remain on an average in the Payne-Aldrich law of to-day, some kinds of woolen goods, such as blankets and flannels, running as high as 90 per cent and even higher. The rates on raw wool have remained practically stationary. The woolen schedule, with its terrible injustices, has remained practically intact in Republican tariff legislation because of the deceptive bid the tax on raw wool makes for the support of the farmers who grow wool throughout the United States. It is largely through this raw-wool tax that the support of the agricultural masses in large sections of the country has been gained for the whole system of protection in connection with the empty taxes on most of the other agricultural products. It is for this reason that the wool tax is so justly called the keystone of the protective arch. Support for other schedules is given in return for support of the woolen schedule, and thus the whole system is preserved. To keep its hold, protection must be passed around. Take off this treacherous tax on raw wool and the backbone of protection will be broken. Take off the tax on wool and you can take down the entire pyramid of compensatory duties that has been builded on it, and the way will be cleared for the lowest possible revenue duty on woolen goods and for free woolen goods at the earliest practicable moment. Keep the tax on wool and you must add its equivalent with interest on woolen goods, and whether you desire a revenue or protective duty the result is protection with its untold evils for the country.

It is said by some that if woolen goods should decrease in price they will displace cotton goods and thus depress the value of cotton goods and of raw cotton. In my judgment this contention can not be sustained. If a pound of wool and a pound of cotton made an equal amount of cloth of equal adaptability to human needs, there might be some foundation for the argument. As a matter of fact a pound of cotton will make as much cloth as 2 or 3 pounds of wool. Before wool could begin to displace cotton it would have to decline in value below the cost of production, and this would stop production. Figuring cotton at 12 cents a pound, for an example, 2 pounds of wool, in order to compete with a pound of cotton, would have to drop to 6 cents each, 3 pounds to 4 cents each. It should be stated that cotton is so much more adaptable to varying climates and conditions than wool and is developing so many more uses that it would be safe from displacement by wool even if it brought in the neighborhood of the same price per pound. Cotton goods are much more easily printed than woolen goods and may be dyed as successfully. Cotton is being made into good substitutes for linen and silk. Many thousands of bales are now annually used to furnish material for the tires of automobiles. It is the principal clothing material for the many millions who reside in latitudes where wool can not be worn. In fact, cotton has been displacing wool as an article of wear for a century. As early as 1837 it began to be mixed with wool in the making of woolen goods, when the cotton warp revolutionized the worsted-woolen industry. In the last 40 years the use of cotton in the making of woolen goods has grown more rapidly than the use of raw wool itself. The cotton thus used increased from 40,000,000 pounds in 1840 to 300,000,000 pounds in 1905. In making hosiery and knit goods 4 or 5 pounds of cotton are used to 1 pound of wool.

The use of cotton has become so intimately interlinked with the use of wool that a demand for wool is to a substantial extent a demand for cotton. The lower the price of wool becomes the more will it be mixed with cotton to make "mixed goods," and thus the demand for cotton will be increased. The same is true as to silk and flax, which are also used to a large extent in combination with cotton. In every decade of the nineteenth century, excepting that from 1860 to 1870, the consumption of cotton exceeded the consumption of wool, although from 1890 to 1900 raw wool reached its lowest price. The consumption of raw wool increased from 85,000,000 pounds in 1860 to 378,000,000 in 1890, to 412,000,000 in 1899, and to 559,000,000 in 1909, while that of cotton increased from 42,000,000 pounds in 1860 to 1,302,000,000 in 1890, to 1,923,531,948 in 1899, and to 2,464,932,280 pounds in 1909. Cotton is rapidly supplanting wool not only here but in England and throughout the world. Wool has everything to fear from cotton, cotton nothing to fear from wool. I wish to call attention here to a remarkable inconsistency on the part of our Democratic friends who oppose free raw material. They tell us that free raw material is a mere gift to the manufacturer to the amount of the tax removed; that he will keep the price of the finished article as high as ever. They then tell us that free wool means cheaper cotton; that it will cause woolen goods to sell at cheaper prices and cause the displacement of cotton goods by woolen goods. Another error is involved in the argument that the lower prices resulting from the Democratic tariff bill, which places many important raw materials on the free list, will mean lower profits and cheaper wages, and in the utterly unjust assertion that the Democratic Party is remitting the taxes on raw materials of manufacture and agricultural products in order to reimburse the manufacturer for the lower profits and the factory operatives for lower wages. As a matter of fact, cheaper prices do not necessarily mean either lower profits or cheaper wages. The success and growth of great business enterprises depend on the volume of sales rather than on high prices in particular sales. Relatively speaking, the lower the price the larger will become the number of sales and more money will be made by lower prices and more numerous sales than by larger prices and fewer sales. The lower prices of woolen goods resulting from free wool may easily increase the volume of sales to such an extent that neither wages nor general profits will suffer.

As an illustration of what I have said regarding the volume of business, I wish to refer to the fact that railroad freight rates are much lower than they were 30 or 40 years ago, but profits are greater on account of the increased amount of goods to be transported.

In this connection let me say that it as much a part of the free raw material program of the Democratic Party to reduce duties on the finished product to the lowest competitive revenue basis as it is to take the tax from the raw material. In fact the very object of taking the tax from the raw material is to be placed in position to take the purely protective element out of the duty on the finished product as far as possible, and to reduce the latter to the lowest competitive revenue point. Consequently the plan suggested by Alexander Hamilton in his famous report on manufactures, which contemplated free raw material in connection with essentially protective duties is not a plan with which free raw material Democrats sympathize in any sense whatever. Consequently, when we were given an opportunity to vote only for free hides during the consideration of the Payne-Aldrich bill in the House of Representatives without a chance to reduce the Republican duty on the finished product, I voted to retain a 10 per cent tax on hides in the place of the existing tax of 15 per cent. Later, on a motion to recommit the bill in order that both hides and the finished product of hides might be placed on the free list, those of us who favored free raw material voted in the affirmative. It would be useless to remove a purely revenue duty from a raw material if an essentially protective duty is to be retained on

the finished product and no corresponding reduction is to be made in the latter. The object of the Democratic doctrine of free raw material is the removal of protection from the finished product or its reduction to the smallest possible limit.

Let me allude here to a most significant fact in connection with the three great industries of woolen manufacture, of iron and steel manufacture, and of leather manufacture. The industry with the highest protection of the three and with the smallest export trade has the highest tax on its raw material. The tax on raw wool in the Payne-Aldrich law is nearly 50 per cent, the tax on iron ore about 6 per cent, while hides are on the free list. The high tax on raw wool is one of the main causes of the exorbitant tax on woolen goods and prevents the woolen manufacturer from selling abroad to any great extent in competition with foreign manufacturers who have free wool. The exceedingly low tax on iron ore and the absence of a tax on hides made possible the lower duties on the finished product of the metal and leather industries even in a Republican tariff law and the final remission of all duties on the finished products of the latter in the bill now under consideration. I would continue this process until all finished American products were on the free list or under a purely revenue duty. If revenue considerations should make it necessary permanently to retain a duty on the finished product and it should be demonstrated that this duty carried substantial protection, I would levy an internal-revenue tax on the finished product exactly equal to that protection, after giving the owner a fair chance to adjust himself to new conditions. In this bill we have placed iron ore on the free list and made still lower reductions in the rates on articles of iron and steel. The fact is frequently mentioned that after hides were put on the free list leather goods went up in price. Leather goods went up because of an increased demand throughout the world and the development of new uses for leather; but hides also went up, and there can be no doubt that leather goods would be still higher to-day were hides not on the free list.

The great commoner, John H. Reagan, a former Senator from Texas, stated the Democratic position on this subject perfectly in this Chamber on August 14, 1890. He was asked this question by Senator Mitchell:

> Would the Senator permit raw material to come in free of custom rates—any raw material at all?

Mr. Reagan replied:

> I would permit raw materials to come in, and perhaps I ought to qualify what I have said by remarking that I would do so on condition that the duty on the manufactured product should be lowered in proportion to the advantage obtained from the receipt of raw material free of duty.

There is absolutely nothing in the Texas Democratic platform of 1896 to contradict this position. That platform denounced the free admission of raw materials and the retention of heavy duties on the finished product, and this is in exact accord with my position. On April 12, 1888, Senator Coke, of Texas, said in this Chamber:

> Give us free, untaxed machinery and free raw materials, such as coal, ore, wool, jute, and other textile products, these being the bases of manufacture, a tariff devoted solely to raising revenue for the support of the Government [and we] will doubly protect the American workingman's wages and send our cheapened goods without handicap to the foreign markets to meet and defy the competition of the world.

It has been said by the advocates of taxed raw materials within the Democratic Party that the idea of free raw material originated in the Whig tariff of 1842. As a matter of fact, the Whig tariff of 1842 put comparatively few materials of importance on the free list and put practically all the principal raw materials on the taxed list, as follows: Wool, mohair, cotton, raw silk, hemp, jute, flax, coal, raw hides of all kinds dried or salted, raw sugar, salt, lumber, lead ore, and iron ore. This Whig tariff actually put a duty of 3 cents a pound on raw cotton. So the contention that the Whig tariff of 1842 put raw materials on the free list and that the only difference between the Whig and the Democratic Parties at that time was the one question of taxing raw materials, the Democrats taking the affirmative, the Whigs the negative, vanishes utterly.

Again it is urged by the opponents of free raw materials within the Democratic Party that the motion of the Whig leader in the Senate to recommit the Democratic tariff law of 1846 raised the direct issue of free raw material, the Whigs favoring it, the Democrats opposing it. It is only necessary to quote the language of the motion to recommit. It was made on July 27, 1846, by Senator J. M. Clayton, of Delaware, and was as follows:

> That the bill be committed to the Committee on Finance with instructions to remove the new duties imposed by said bill in all cases where any foreign raw material is taxed to the prejudice of any mechanic or manufacturer, so that no other or higher duty shall be collected on any such raw material than is provided by the act of August 31, 1842.

It will be seen at once that this motion was merely to substitute the raw material duties of the act of 1842 for the raw material duties of 1846. It did not remotely raise the issue of free raw material, because practically all the principal raw materials were taxed by the act of 1842. It can not properly be said therefore that in voting against this motion to recommit Benton, Houston, Rusk, and others voted against free raw materials. In mentioning famous Texans who have ably supported the Democratic doctrine of free raw materials, I would not omit the great names, the stainless names, of Senators Roger Q. Mills and Horace Chilton, former Members of this body. I challenge the assertion that the advocacy by these gentlemen of free raw materials was the principal issue in their last campaigns. Both of them withdrew from their respective contests at so early a stage that no single question could fairly be said to have been a determining one, and it is certain that other issues than the tariff had at least an equal prominence while the contests were in progress, notably the money question in the case of Mr. Mills, the oversea expansion question in the case of Mr. Chilton.

I repeat that the reduction or removal of high protective duties on finished products is as fundamental a part of the Democratic program as free raw materials. The accomplishment of this program will provide a tariff system involving the least possible burden for the American people. It will restore competition and remove one of the chief sources of combination and monopoly. We say that the proper way to destroy protective duties is not to create other duties but to lower or to remove the protective ones. We say that the proper way to remove discrimination is to narrow it as much as possible and not to enlarge or emphasize it.

Wherever we do not make enough of a material to supply home manufacturers, where importations must be had from abroad to such an extent as to affect home prices, where the manufacturer's cost of production is enhanced by the tariff on raw material, and where foreign manufacturers competing with us at home and abroad get their raw materials free of duty and are thus enabled to paralyze the home industry and the home market for the raw material, thereby injuring both home producer and home manufacturer, unless compensating duties are given the home manufacturer, the duties should be taken from the raw material in order to make it possible to take protection from the finished product or to neutralize it to the greatest possible extent.

Let me call attention here to the belief entertained in some quarters that raw materials of manufacture are produced solely on the farm.

Let us enumerate some of the raw materials of manufacture that are not produced on the American farm. They are antimony ore, asbestos, bones, raw chemicals including raw sulphur, copper, asphaltum, coal, cork, minerals for fertilizer, raw furs, grease and oils, rubber, iron ore, ivory, manganese, nickel ore, platinum, plumbago, tanning materials, unmanufactured shells, raw silk, lead ore and lead bullion, and mica. And yet the advocates of taxed raw materials want the farmer to vote to add a tax on all these articles, the finished products of many of which are used by him so largely in the conduct of his business and in the support of his family, to subject himself and the rest of the people to the burdens of additional tariff taxation on the theory that he is preventing discrimination against himself.

There are still other reasons for putting raw materials, such as iron ore, coal, lumber, and the like, on the free list. Our stock of these is either limited or being rapidly depleted, and all the reasons for the conservation of natural resources clamor for the removal of all restrictions on the importations of such articles. We should be able to draw upon the world for such commodities as easily as possible, and in order to conserve our own supply as well as to strengthen our industries.

It might be well to say here that every Democratic tariff law and every Democratic tariff bill bearing the party's official stamp in the history of the United States has, with the sole exception of the woolen bill in the last Democratic House, has put important raw materials of manufacture on the free list. That woolen bill was accompanied by a resolution stating that it was not to be considered a reversal of the traditional Democratic policy on this subject, but was framed under pressure of revenue necessities.

The first general Democratic tariff law, the Madison tariff of 1816, placed on the free list clay, raw copper, brass and tin in pigs and bars, hides and skins, sulphur, zinc ore, and unmanufactured woods of all kinds.

The tariff of 1824 did not disturb this free list.

The tariff of 1832, enacted under Jackson, put on the free list coarse, unmanufactured wool, raw flax, raw rubber, raw ivory, many raw chemicals, as well as the articles already placed on the free list by the tariff of 1816.

The tariff of 1846 put on the free list raw copper, raw platinum, and other articles. This tariff law placed such a low tax on the other principal raw materials and so large a tax in comparison on their finished products that McDuffie, a prominent Democratic Senator, said in the debate on this law that its raw material taxes were insignificant; that he was almost as willing to have left them out as to have left them in.

The tariff of 1857 put wool valued at not more than 20 cents a pound on the free list, and this virtually meant free wool. The imports of raw wool free of duty under this tariff law averaged nearly 29,000,000 pounds during the life of the law, while the remaining imports of raw wool averaged less than 1,000,000 pounds annually. This great Democratic tariff law also put on the free list crude tartar, bismuth, raw dyeing and tanning materials, brass bars and pigs, copper bars and pigs, and other forms of raw copper, flax, glass for remanufacturing, raw ivory, raw platinum, raw silk, and tin bars and pigs.

The Morrison tariff bill of 1884 put on the free list coal, lumber, salt, and wood unmanufactured.

The Morrison tariff bill of 1886 put on the free list lumber, salt, wool, flax, hemp, jute, and other raw materials.

The Mills bill of 1888 put on the free list wool, hemp, flax, and lumber.

In 1892 Mr. Springer, chairman of the Democratic Ways and Means Committee of the House of Representatives, reported a wool tariff bill placing wool on the free list and lowering duties on woolen goods. The Wilson tariff law of 1894, as it passed the House, put on the free list wool, iron ore, and coal; and as it finally became a law provided for free wool.

The farmers' free list bill of the last Democratic House put lumber on the free list, and the iron and steel bill of that House provided for free iron ore.

Mr. President, the Democracy presents in the Underwood-Simmons tariff bill a definite, substantial, and beneficent revision downward of the Payne-Aldrich tariff rates. It substitutes the best tariff law since 1857 for the worst since God created the heavens and the earth. It is a blow against monopoly and greed, a blow that finds a mournful echo in the lamentations on the other side of this Chamber. It brings the Nation nearer to its original ideals. It makes a remarkable stride toward equity in tariff legislation. It brings wider opportunity and larger hope to the multitudes bowed down. It sends a message of encouragement to factory and farm, to shop and mine. It strengthens the foundations of our institutions. It puts new confidence in the souls of men.

And as this bill pursues its march of triumph through the American Congress the attention of the American people turns to that unassuming figure at the Nation's head, that exemplar of justice and of love, that marvel of patience and of power, Woodrow Wilson. To his genius and his courage must be attributed the elements in this measure that do most to break the sway of privilege. And what a glory of all glories arises from the fact that by his side there stands the man who for more than 20 years has proclaimed as fundamental features of true tariff legislation the fundamental features of this bill, who has been the chief defender of the doctrine that freedom of life's necessities and of the basic materials of industry from taxation is essential to the least oppression in a tariff law, whose character and whose eloquence illustrate the purest purposes that ever animated a human heart, Democracy's rock of ages, William Jennings Bryan.

APPENDIX.

Table showing values, importation, and exportation of and revenue derived from 16 principal agricultural products during the last 4 fiscal years.

	Values.	Importation.	Revenue.	Exportation.
1909–10.				
Cotton (growth year of 1909)	$688,350,000	$15,816,000	(1)	$450,447,000
Cotton seed (growth year of 1909)	123,740,000	5,000	(1)	406,000
Cattle (Apr. 15, 1910)	1,697,761,000	3,000,000	$727,000	12,200,000
Corn (Dec. 1, 1909)	1,477,223,000	72,000	18,000	25,428,000
Cream (calendar year 1909)	119,967,000	578,000	37,000	(2)
Eggs (calendar year 1909)	306,689,000	111,000	41,000	1,260,000
Milk, fresh (calendar year 1909)	252,437,000	18,000	3,000	[3]1,023,633
1910–11.				
Cotton	820,320,000	24,776,800	(1)	585,319,000
Cotton seed	142,860,000	13,000	(1)	210,000
Cattle	1,647,393,000	2,953,000	702,000	13,164,000
Corn	1,384,817,000	38,000	8,000	35,961,000
Cream	151,046,000	1,873,000	117,000	(2)
Eggs	343,489,000	226,000	83,000	1,787,000
Milk, fresh	439,464,000	29,000	4,000	936,105
Poultry, live and dead	228,707,000	166,000	33,000	[4]1,241,000
Horses and mules	2,804,340,000	2,366,000	117,000	4,915,000
Oats	408,388,000	42,000	16,000	833,000
Hay	842,252,000	2,544,000	1,347,000	1,033,000
Sheep	209,535,000	378,000	39,000	636,000
Swine	615,170,000	43,000	4,000	74,000
Wheat	561,051,000	25,000	6,000	22,040,000
Potatoes	194,566,000	235,847	51,448	1,535,630
Total	10,793,398,000	35,707,847	2,527,448	669,684,735
1911–12.				
Cotton	732,420,000	20,218,000	(1)	565,849,000
Cotton seed	127,420,000	22,000	(1)	727,000
Cattle	1 605,478,000	4,806,000	1,214,000	[5]8,870,000
Corn	1,565,258,000	48,000	8,000	28,957,000
Cream	127,353,000	924,000	56,000	(5)
Eggs	294,768,000	157,000	55,000	3,396,000
Milk, fresh	419,749,000	6,000	1,000	[6]245,000
Poultry, live and dead	220,174,000	154,000	33,000	[4]993,000
Horses and mules	2,698,351,000	1,877,000	103,000	5,497,000
Oats	414,663,000	1,053,000	408,000	1,136,000
Hay	784,926,000	6,472,000	2,797,000	1,039,000
Sheep	181,170,000	147,000	20,000	627,000
Swine	523,328,000	10,000	1,000	159,000
Wheat	543,063,000	988,014	352,000	28,478,000
Potatoes	233,778,000	7,168,627	3,434,535	1,414,297
Total	10,471,899,000	44,050,641	8,482,535	647,387,297
1912–13.				
Cotton	$792,240,000	22,990,364	(1)	547,357,000
Cotton seed	128,390,000	56,315	(1)	329,000
Cattle	1,872,428,000	6,550,258	1,764,660	1,177,000
Corn	1,520,454,000	470,176	129,769	28,801,000
Cream	136,450,000	1,068,109	62,368	(5)
Eggs	349,250,000	191,714	63,588	4,392,000
Milk, fresh	436,657,000	138,068	36,480	[6]474,000
Poultry, live and dead	223,148,000	111,088	14,980	1,755,000
Horses and mules	2,823,467,000	1,005,254	79,330	[7]3,960,000
Oats	452,469,000	289,760	108,916	13,206,000
Hay	856,695,000	1,504,319	621,527	964,000
Sheep	202,779,000	85,000	13,910	606,000
Swine	603,109,000	15,488	2,313	152,000
Wheat	555,280,000	419,781	135,523	89,036,000
Potatoes	212,550,000	307,600	85,055	1,646,000
	11,165,375,000	36,103,294	3,118,419	693,855,000

[1] Free.
[2] No returns; included in milk exports.
[3] Includes cream and all forms of exported milk.

Table showing values, importation, and exportation of and revenue derived from 16 principal agricultural products during the last 4 fiscal years—Continued.

[1] Including dead game, in exports.
[2] Free.
[3] No returns; included in milk exports.
[4] Including dead game; also possibly $100,000 to $200,000 of "Other animals," in exports.
[5] Included in "milk."
[6] Including cream.
[7] Mules, 734,000.

EXPLANATION.

The figures in the above statement as to values of cotton and cotton seed refer to production values for the growth years of 1909, 1910, 1911, and 1912, respectively; as to values of cream, eggs, milk, and poultry, the production values for the calendar years of 1909, 1910, 1911, and 1912, respectively; as to values of cattle, horses and mules, sheep and swine, the total value of all such animals in the United States on April 15 of the years 1910, 1911, 1912, and 1913, respectively; as to values of corn, oats, hay, wheat, and potatoes, the production estimated on December 1, 1909, 1910, 1911, and 1912, for the growth years of 1909, 1910, 1911, and 1912, respectively.

The total values of agricultural products for the years mentioned are larger than the total values given for agricultural products by the Secretary of Agriculture in his annual reports, because the estimates of the Secretary include only the yearly increase of cattle, horses and mules, sheep, swine, and wheat, while the above figures give the value of all such animals in the United States during the years indicated.

The figures for eggs do not include dried eggs or eggs in yolk, but the latter items are comparatively small.

Mr. PENROSE. Mr. President, I was necessarily absent from the Senate when the chemical schedule was under consid-

eration by this body, and, owing to some unexpected delays in the progress of the bill, it may be that I shall not be in the Senate when the bill is reported from the Committee of the Whole to the Senate. Therefore I desire to submit at this time a few observations upon the chemical schedule.

The chemical industry of the United States is of such overwhelming importance and its general success and welfare are so essential in the operation of manufacturing enterprises and in the prosecution of many industrial undertakings that it is impossible to let this bill pass without evoking from me some measure of protest. There may have been a time when chemicals and chemical compounds and mixtures were of interest only to druggists and physicians, but that time is past, and the enormous development of modern industry has brought about a situation where the production and manufacture of chemicals has become a sort of basic industry without which many manufacturing activities entirely unconnected with the chemical industry could not be carried on. Without resorting to detailed explanations or descriptions, and speaking for the moment in the terms of the tariff act, I may say that every schedule is dependent in some measure upon Schedule A, for in the production of innumerable articles covered by those various schedules some of the materials or products of Schedule A are used. This remark applies to the agricultural schedule with great force for our farmers must depend upon the chemists to discover or invent for them and to supply to them the various fertilizers upon which more and more the successful cultivation of our fields and farms must depend. The point of all this is that it is of the highest possible importance that we should have in this country a successful and well-established chemical industry, widely distributed over the land and distinguished by the variety of its productivity. That is to say, this country should be able to manufacture within its borders all kinds of chemicals and chemical products, and this country was in a fair way to attain this distinction if the policy of the tariff acts of 1897 and 1909 had been permitted to continue.

The chemical industry is in many respects a peculiar one, and it is owing in some measure to the peculiar conditions that exist in it that we have what might seem to some the phenomenon of steadily decreasing selling prices under the influence of protective duties. It is a well-established fact, the verification of which requires only a reference to the official figures, that following the imposition of protective duties upon chemical products and the establishment of competition from American manufacturers who were thus encouraged to start, the prices of a great many commodities have shrunk to a fraction of what they were when the European producers controlled our market because of the low rates of duty or the absence of any duty. Before leaving this particular topic and in order to call attention to the danger involved to the domestic industry by this wholesale reduction of duties, I wish to call attention to the fact that the chemical industry in the greatest chemical manufacturing country in the world, Germany, is very largely in the hands of huge combinations or syndicates or, as they would be called in this country, trusts. They absolutely dominate that industry, and, far from being frowned on by the governmental authorities, they are actually encouraged and favored. In fact the Prussian Government is a partner in the great potash syndicate which has its hands in the pockets of every farmer in this country. For these statements I have authority which will hardly be questioned on the other side, and I would refer to the report on Schedule A prepared by the Committee on Ways and Means of the Sixty-second Congress and presented to the House of Representatives in connection with the chemicals bill of 1912, H. R. 20182, Report No. 326. This is a very interesting report, and the facts concerning the German syndicate will be found beginning on page 378. Among the statements made, Mr. President, in that report, which I have in my hand, is the following. I quote from the report:

> The causes which have brought about the phenomenal development of the German chemical industries are many and highly complex. They have formed the thesis of any number of more or less relevant investigations and economic studies though the results reached are far from being unanimous. This development of the chemical industry in Germany, though the most pronounced, is but part and parcel of the rapid development of German industries generally, and these have naturally extensively stimulated the growth of chemical manufactures.

Concerning the fact that these chemicals and manufactures of chemicals are absolutely under the control of trusts, cartels, and syndicates with the cordial cooperation of the German Government, I will, taking the facts from the report, call the attention of the Senate to the declaration in that report that—

> The German chemical industry knows practically no competition between individual establishments engaged in the manufacture of the same products, and the elimination of competition and general tendency toward combination observable in all industrial countries, but especially pronounced in Germany, has in that country gone further in the chemical and allied industries than in any other manufacture. This has been accomplished by the formation of "syndicates," "cartels," "selling associations," and to a lesser degree by the absorption of or amalgamation with rival concerns, formed secretly or openly for the purpose of controlling output and prices. The law puts no obstacle in the way of such consolidation, and in several instances governmental agencies operating large chemical establishments form a party to the agreements. The potash syndicate—

Upon which articles, as I have said, our farmers are so dependent—

> in which several States of the Empire participate, amounts to a virtual monopoly. In 1896 Liefmann found among all of the German industries 345 "cartels," of which the highest number, viz, 82, belonged to the chemical industry, and for 1907 the number in that industry was estimated at 100. Practically all of the important manufactures of the chemical industries and many products of lesser importance are under some form of syndicate control, more or less strict, and more or less extensive as to production, prices, supply of raw materials, or division of territory. Chemical manufacturers lend themselves more readily to consolidation than any other, because within a given line the products from one source are not visibly different from those of other sources, and, on the same basis of purity, do not differ at all. The products therefore carry little, if any, individuality, which is the principal basis of competition. Quite a number of these organizations are bound by agreements of some kind to international "cartels," the object of which is to control the international markets.

Mr. President, it is obvious to me that the only protection which the American consumer has is the maintenance of the American industry against the tyranny of the German syndicate. Curtail or destroy the American industry and the American consumer, the men engaged in the arts and sciences and manufactures and the agriculturist will be, in many lines of chemical production vital and essential to his activity, at the mercy of the foreign syndicate international in character, aimed to control international trade, and be without the protection of American competition.

In the bill H. R. 20182, which was the bill of the last session, the majority party proposed a revision of the chemical schedule. The chemical schedule in the bill now before the Senate presents some striking departures from the provisions of H. R. 20182, but the same evil policy which underlaid the first attempt of the majority to tinker with this schedule vitiates the present bill. Analyses of both of these bills were made by an organization called the Manufacturing Chemists' Association, which comprises, I understand, a vast majority of American producers of chemicals, and as the criticisms of that association appear to me to be very well founded I shall quote them here:

> Of the 97 different raw materials made dutiable under the proposed bill (H. R. 20182)—

That is the bill of the last session of Congress, coming over from the Democratic majority in the House of Representatives—

> 80 were entered free under the Payne Act of 1909. Of the remaining 17 articles the duty in almost every instance was increased from the rates under the existing law.
>
> The caucus print further shows that the total revenue derived from Schedule A under the Payne Act for 1911 amounted to $12,966,545, while the estimated revenue for a 12 months' period under H. R. 20182 amounts to $16,170,157, or an increase in revenue of nearly $3,500,000. *This increased revenue, however, results entirely from the increase of rates on raw materials*, the revenue from the above-mentioned raw materials under the act of 1909 amounting to $1,826,955, while the estimate for a 12 months' period for the same raw materials under H. R. 20182 amounts to $6,081,060, or an increase of approximately $4,000,000. At the same time, under the proposed bill, the rates of duty on finished products are very materially decreased, with the estimated result that the revenue for a 12 months' period on finished products would amount to $10,089,097, as against $11,139,590 revenue under the act of 1909, or an estimated decrease in revenue by virtue of the decrease in rates on finished products of more than $1,000,000.
>
> Thus it is apparent that the estimated increase in revenue under H. R. 20182 comes entirely from a most radical increase in rates on raw materials, an increase so great that loss in revenue on finished products of approximately $1,000,000, owing to a drastic decrease in the average rate from about 25 per cent ad valorem to about 16 per cent ad valorem, is not only offset, but a net increase in revenue is estimated of nearly $3,500,000.

Regarding the present bill now under consideration, the association makes the following analysis:

> The bill which recently passed the House (known as H. R. 3321) has made nearly 100 changes in the rates contained in H. R. 20182, not to mention changes in classification, etc.
>
> Approximately 17 different raw materials, or groups of raw materials, which were free under the Payne Act and which were made dutiable under H. R. 20182, with a total estimated revenue of nearly $1,000,000, have been restored to the free list by H. R. 3321. Approximately 13 different raw materials, or groups of raw materials, which were made dutiable under H. R. 20182, with a total estimated revenue in excess of $1,250,000, have received considerable reduction in the present bill, H. R. 3321. Thus the present bill is much less radical than the bill of 1912 on the question of taxing raw materials. Had the Ways and Means Committee stopped at this point the effect of these changes would have been to modify in some degree the bill of 1912.
>
> The association calls attention, however, to the fact that in over 50 cases the rates on finished products, as established by H. R. 20182, have been very materially reduced by the provisions of the new bill, while an increase in rates has been made in less than 10 cases. These 50 cases of decreased rates involve articles which, according to H. R. 20182, already show an estimated revenue of approximately $1,500,000. Furthermore, this decrease will again materially reduce the average

ad valorem rate of the chemical schedule which, by H. R. 20182, had already been reduced from 25 per cent ad valorem to 16 per cent ad valorem.

The other changes in the bill relate largely to classifications, phraseology, etc., many of which are beneficial; but in this connection the association points out that in 18 different cases the new bill has omitted the provision for a minimum specific duty in the alternative for the ad valorem rate. This takes away a certain safeguard against undervaluation which the minimum specific rate provided.

The net result of the changes effected by the present bill (H. R. 3321) is that the benefits which might have resulted from the reduction in the rates on raw materials is offset, or more than offset, by the further reductions in the rates on finished products.

Mr. President, in this statement of the National Association of Chemical Manufacturers we come across a new phrase in the terminology of American parliamentary procedure. There is reference here to the "caucus print." I believe it will be generally admitted that for the first time in the history of American legislation manufacturers have come to Washington and have been obliged to use the strange and heretofore unknown designation of a "caucus print."

Among the high moral principles and declarations of political purity which those will discover who choose to read the volume entitled "The New Freedom" we read:

> Legislation as we nowadays conduct it is not conducted in the open. It is not thrashed out in open debate upon the floors of our assemblies. It is, on the contrary, framed, digested, and concluded in committee rooms. It is in committee rooms that legislation not desired by the interests dies.

Then, in another place:

> I am striving to indicate my belief that our legislative methods may well be reformed in the direction of giving more open publicity to every act, in the direction of setting up some form of responsible leadership on the floor of our legislative halls, so that the people may know who is back of every bill and back of the opposition to it. * * * The light must be let in on all processes of lawmaking.

Another sentiment follows:

> This discovery on their part of what ought to have been obvious all along points out the way of reform, for undoubtedly publicity comes very near being the cure-all for political and economic maladies of this sort. But publicity will continue to be very difficult so long as our methods of legislation are so obscure and devious and private.

Such, Mr. President, appear to have been the views of the Democracy regarding publicity in legislation prior to the last presidential election; but now we have this new phrase of a "caucus print" of a measure, and we witness the spectacle of this bill having been nearly as long a time in a secret caucus of Democratic Senators as it has been under discussion on the open floor of this body.

Not only is this measure being taken up under this new and unprecedented procedure, but we witness on the other side of the Capitol the currency bill receiving similar treatment. The American people must judge at the proper time, Mr. President, whether the anteelection statements of the standard bearer of the Democracy can be reconciled with the practices of the Democratic Party after the actual meeting of the present Congress.

I have no intention of discussing this schedule exhaustively, for that would take too much time, and I shall content myself with pointing out some of the more glaring errors. In paragraph 1, which deals with acids, the duty on citric acid has been reduced from 7 cents per pound to 5 cents per pound. Citric acid is produced from citrate of lime, all of which is imported, and which at the present time is on the free list. Not content with reducing the rate on citric acid, a duty of 1 cent a pound has been placed on citrate of lime, which is equivalent to three-quarters of a cent per pound on the citric acid contained in it. This action is characteristic of Schedule A in the pending bill, for in many instances we find that a severe reduction of duty on the finished product is accompanied with an imposition of duty on the raw materials.

Salicylic acid has received a 50 per cent reduction, from 5 cents a pound to 2½ cents a pound. The Dingley Act placed a duty of 10 cents a pound on this article. This is an article which comes into direct competition with the European trust, and America is the dumping ground for surplus European production. Ten years ago there were five manufacturers of this product in this country, of which three have since failed on account of the foreign competition.

Sulphuric acid under the Payne-Aldrich Act carries a duty of one-fourth cent a pound except when used for agricultural purposes, when it is entered free, but with the provision that if any country imposes a duty on the importation of our product a duty of one-fourth cent a pound shall be levied on the sulphuric acid imported from the country imposing such duty. It is well known that, on account of its bulk, sulphuric acid must necessarily be consumed within a limited zone from its source of production. Any duty imposed has therefore little effect upon the industry. *The sulphuric-acid manufacturers, however, who have plants located near the Canadian border line come into direct competition with Canadian producers.* It is therefore but fair that our Government should place our manufacturers on a fair competitive basis with those located in Canada. To do this, the provisions of the present law should be reenacted and, above all, an adequate "dumping clause" adopted to prevent the dumping of surplus Canadian products into this country.

Paragraph 5 is the general residuary clause for all alkalies, alkaloids, and chemical and medicinal compounds, preparations, mixtures, and salts that do not contain alcohol and are not specially provided for. The duty proposed is 15 per cent ad valorem, a cut from 25 per cent ad valorem. There seems to be no logical reason for this cut. These articles are already on a competitive basis with the foreign market, the imports for 1911 amounting to $1,647,963.74 and for 1912 $2,852,070.75, with a revenue for the latter year of $713,017.69. Furthermore, the question of price of medicinal compounds to the ultimate consumer has little connection with the original cost to manufacture, as it is always the pharmacist who takes the lion's share of the profit. The result of this reduction in duty is therefore simply a loss of revenue to the Government with no benefit to the consuming public.

Had this paragraph been unaltered except for the reduction in duty it would have had the merit of consistency. That, however, has not been done, for a large number of substances which are in this paragraph of the present law have been made the subject of specific enumerations under new paragraphs at widely different rates of duty. This seems to be indefensible. With the exception of a few substances that may for obvious reasons be distinguished, such as the salts of gold, platinum, etc., all of these chemicals and medicinal compounds and salts are made under generally similar conditions and no economic reasons are apparent why there should be disparities in the rates of duty levied upon them.

Now, Mr. President, I desire to call the attention of the Senate to a rather remarkable paragraph—paragraph 14. Here is a new provision for caffeine at $1 a pound. According to the figures given in the Ways and Means handbook, the ad volarem equivalent of this rate is 50 per cent. It is on the free list now, is it not? I will ask the Senator from Utah [Mr. SMOOT].

Mr. SMOOT. No; it falls under the basket clause, at 25 per cent.

Mr. PENROSE. Yes; 25 per cent. Therefore the duty on caffeine has been raised from 25 per cent to 50 per cent.

The chief and almost exclusive use of caffeine is for medicinal purposes, either by itself or in combination with other substances. If it were not especially enumerated it would fall under paragraph 5 of the present House bill, at the rate of 15 per cent, where fall the bulk of the chemical and medicinal compounds and preparations. Yet caffeine, Mr. President, has been taken out and distinguished with the remarkable recognition of being removed from the basket clause and having a duty of 50 per cent imposed upon it—twice the amount of the duty under the present law.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. WALSH in the chair). Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. PENROSE. Yes.

Mr. JOHNSON. I understood the Senator to say that the principal use of caffeine was in medicine, as a medicinal compound.

Mr. PENROSE. I understand so. I never used it nor saw it, but I am informed in the glossary that it is used as a headache medicine.

Mr. JOHNSON. Is not its principal use in making Coca Cola and similar drinks?

Mr. PENROSE. It may be. It is chiefly used in medicine, I think, directly.

Mr. SMOOT. It is used in Coca Cola, and Coca Cola takes a great quantity of caffeine; but it is a medicinal compound and is used as medicine all through the world.

Mr. PENROSE. Is there anyone at present in this Chamber, on the other side of the political aisle, who can tell me why caffeine has been thus singled out? Certainly the consumer, if he has a headache, wants immediate relief and wants to get the relief as cheaply as possible. It is understood that this increase of duty will redound very largely to the advantage of certain manufacturers of chemicals.

This paragraph also imposes a duty of 1 cent per pound upon tea sweepings, which are now free, and which are the material from which caffeine is made.

Mr. GALLINGER. Mr. President, if the Senator will yield to me, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fall	McCumber	Smith, Ariz.
Bacon	Fletcher	Martine, N. J.	Smoot
Borah	Gallinger	Myers	Stephenson
Bradley	Hollis	Norris	Sutherland
Brady	Hughes	Overman	Thomas
Brandegee	James	Page	Thompson
Bristow	Johnson	Penrose	Thornton
Bryan	Jones	Perkins	Tillman
Catron	Kenyon	Pittman	Vardaman
Chamberlain	Kern	Poindexter	Walsh
Chilton	La Follette	Root	Warren
Clapp	Lane	Saulsbury	Weeks
Clark, Wyo.	Lea	Shafroth	Williams
Clarke, Ark.	Lewis	Sheppard	
Crawford	Lippitt	Shields	
Dillingham	Lodge	Simmons	

Mr. THORNTON. I wish to announce that my colleague [Mr. RANSDELL] is at this time necessarily absent from the Chamber.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, it appears that a quorum is present. The Senator from Pennsylvania will proceed.

Mr. PENROSE. Mr. President, in the presence of those Members of the Senate who have done me the honor to have the appearance of listening, I was endeavoring to show a number of the inconsistencies in the chemical schedule. I am glad that the chairman of the Committee on Finance is now within the sound of my voice and also within the scope of my vision, because I come to an interesting paragraph concerning which he may enlighten us.

I had reached paragraph No. 14, where there is an entirely new provision in this chemical schedule. This is a bill supposed to lighten the burdens of the consumer and to reduce taxes. The Senator from Texas [Mr. SHEPPARD] closed his defense of the measure with a peroration reciting how privilege was to disappear and how the burdens of the masses were to be relieved.

But, Mr. President, deeply impressed as I was, I confess I was shocked and surprised when I came across the duty on caffeine, an essential to the consuming public, to the person who has a headache, man or woman, from whatever cause, and to the consumer of Coca Cola, largely manufactured in Atlanta, Ga.

This caffeine is taken from the beneficent provision of the Payne bill, the framers of which always had in mind the suffering and the needy—it is taken from the basket clause, at 25 per cent, and a duty is imposed upon it of $1 a pound. This, according to the figures given in the Ways and Means Committee handbook, means an ad valorem equivalent at the rate of 50 per cent.

As I have said, the almost exclusive use of caffeine is for medicinal purposes, either by itself or in combination with other substances. If it were specially enumerated, it would fall under paragraph 5 of the pending bill at the rate of 15 per cent, where fall the bulk of the chemical and medicinal compounds and preparations.

Why, I ask the chairman of the committee, has this article, so essential to the ailing, been singled out for this great distinction of an increase of duty of more than 100 per cent?

Mr. SIMMONS. Mr. President, I will state to the Senator——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from North Carolina?

Mr. PENROSE. I am glad to yield to the Senator.

Mr. SIMMONS. I will state to the Senator that that paragraph was very much discussed at a time when the Senator was probably in Pennsylvania or elsewhere. It was discussed by the Senator from Maine [Mr. JOHNSON], who is entirely familiar with it. I have not myself given personal consideration to that particular paragraph. If the Senator wants to have the matter gone over again I have no doubt the Senator from Maine will be very glad to give him the reasons for it. The reasons are in the RECORD. They were given at the time when they were asked for.

Mr. PENROSE. I was not in the Senate.

Mr. SIMMONS. It is not the Senator's fault. I understood that they were good reasons.

Mr. PENROSE. But I am assured by Senators on the other side of the Chamber that this paragraph was not discussed when the chemical schedule was under consideration. Whether it was discussed or not, I put the question point-blank to the chairman of the committee, Why has this enormous raise been made upon this medicinal article?

Mr. SIMMONS. The Senator has no right to call on me. I was merely stating that we had taken up this paragraph, as I remember, and discussed it heretofore.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. PENROSE. I do.

Mr. JOHNSON. If there is any one article in the chemical schedule that could bear a rate of duty it is a product which enters most largely into the manufacture of Coca Cola and similar drinks, which are not perhaps as beneficial as many other drinks. Therefore, the committee felt that caffeine could bear this increased rate of duty, an increase, as the Senator has stated, from 25 per cent in the present law to 50 per cent. We have placed a duty for revenue purposes on tea waste of 1 cent a pound. We imposed that duty upon the raw material and we increased the duty on caffeine.

Mr. PENROSE. Does the Senator happen to know what increased revenue will be produced by this remarkable increase?

Mr. JOHNSON. The figures appear in the handbook.

Mr. PENROSE. The Senator had better get a microscope to find them.

Mr. JOHNSON. Of course, I can not tell just what the importations may be, but certainly if there is any one thing in the chemical schedule that can bear a high rate of duty it is caffeine, just as the duty on opium has been increased and for a similar purpose.

It is not true, as the Senator states, and investigation will show it is not true, that its particular use is as a medicinal compound. Its particular use is in making Coca Cola and similar drinks.

Mr. PENROSE. I ask the Senator from Maine what will be the amount of estimated increase of revenue from this duty?

Mr. JOHNSON. That will be entirely conjectural, of course.

Mr. PENROSE. The bill is full of such estimates.

Mr. JOHNSON. Certainly; and every tariff bill that is constructed is made up simply on estimates.

Mr. PENROSE. Is there any conjecture on the part of the committee?

Mr. JOHNSON. I have not any to make as to it, of course. I will simply say that from tea waste, which is now upon the free list, the committee has estimated that there will be a revenue of $60,000, where there has been nothing collected before.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Will the Senator from Pennsylvania yield to the Senator from Utah?

Mr. PENROSE. Yes.

Mr. SMOOT. I should like to say to the Senator that the rate upon caffeine of a dollar a pound, an increase of 100 per cent from the present duty, is not the only item in this paragraph that needs explaining. If the Senator will notice, impure tea, tea waste, and tea siftings or sweepings have been put in this paragraph at a rate of duty of a cent a pound.

The Senator remembers very well that but a few years ago the Senator from Missouri [Mr. STONE] was very much interested in having tea waste and tea siftings and sweepings put upon the free list, and they are under the present law on the free list and should remain there.

Mr. PENROSE. Paragraph 14 also imposes a duty of 1 cent per pound upon tea sweepings. They are now free. They are the material from which caffeine is made.

Is there any member of the committee or any Member of the Democratic majority in this Chamber who can inform me why this duty of 1 cent per pound has been placed upon tea sweepings?

Mr. JOHNSON. Mr. President, I understood the Senator to inquire in regard to the duty upon tea waste. As has been stated, it was for revenue purposes, and from the duty placed on tea waste it is estimated there will be revenue to the amount of $60,000 collected. We imported in 1912, 5,994,907 pounds of tea waste, and if we import the same amount next year at a cent a pound the revenue collected will be about $60,000.

Mr. SMOOT. The Senator does not think we will import that amount next year?

Mr. JOHNSON. I see no reason why we should not. That is the product from which caffeine is largely made.

Mr. SMOOT. I understand that, but I also understand that the importations of tea waste are coming in now just as fast as ships can make deliveries of purchases made.

Mr. PENROSE. I have the importations here. Mr. President, this is a remarkable schedule in a bill which announces in flaming oratory the program to the American people that duties are to be reduced, and without rhyme or reason caffeine, the peculiar manufacture of a certain concern in the central part of the United States, is selected for a radical advance in duty. These sweepings, hitherto on the free list, are singled out for

a duty on the ground of revenue production. The Government will indeed be hard put if it has to rely on such revenue producers.

The handbook of the Senate Finance Committee reports importations of tea sweepings for manufacturing purposes during the year 1910 as amounting in quantity to 3,442,074 pounds and in value to $100,450; in 1912—that is, the fiscal year ending June 30, 1912—the importations were 5,994,907 pounds, valued at $161,540. A telephone message from Mr. Austin, of the Division of Statistics, states that for the year ending June 30, 1913, the importations were 7,053,550 pounds, valued at $211,541. These figures affirm the correctness of the statement in respect to the quantity of tea sweepings stored in this country.

Mr. GALLINGER. In six months.

Mr. PENROSE. In six months. They say, Mr. President, 7,053,550 pounds, valued at $211,541.

There is no reason for these increased importations except the imposition of this duty. I am informed that some one or two concerns in the country will benefit by it and are already storing up one or two millions of pounds of tea sweepings in order to take advantage of the absolutely unjustifiable and unwarranted imposition of 1 cent a pound on tea sweepings.

But, Mr. President, I have had no definite answer to my inquiry on this paragraph. The chairman of the Finance Committee expresses his ignorance of it, and the Senator from Maine, who has it in charge, only defends it on the ground of the very inconsiderable revenue which is likely to come from it. I leave it to stand before the American people on its merits when the facts become known. I will let it stand until this bill comes to be considered in the political campaigns of the future as a striking illustration of the fallacies of the lofty platitudes which marked the declarations of the last campaign.

Paragraph 19 arouses much curiosity and interest. The articles treated therein are all medicinal preparations that exhibit no obvious reason for differentiating them from the other medicinal preparations which are covered by the general terms of paragraph 5 of H. R. 3321 and which are dutiable thereunder at only 15 per cent. This paragraph levies a duty of 25 per cent on certain selected medicinal preparations. It can not fail to be of interest to learn why these particular products are thus favored. No explanation was given by the Ways and Means Committee, and there is no known economic reason that requires a higher rate of duty on these particular preparations than there is on the others. It may be only a coincidence, but it is a fact that one or more of the concerns referred to in connection with the caffeine paragraph are among the largest producers of these preparations in this country. If not singled out this way they would be dutiable at only 15 per cent.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. PENROSE. Yes.

Mr. JOHNSON. As long as the Senator has alluded to that paragraph, I will say that the committee has had more or less trouble. Complaint was made the other day, and it was attacked because the duties were too low on several articles, and it was claimed by the Members upon the other side of the Chamber that the duty was too low.

Mr. PENROSE. I am not criticizing that.

Mr. JOHNSON. I wish to complete my answer to the Senator's inquiry why these medicinal compounds or preparations, made from other materials which are taxed under this bill, bear a rate of duty of 15 per cent. Complaint has been made and the committee severely criticized and importuned to increase the rate very largely. Chloral hydrate, salol, phenolphthalein, and some of the other articles named in that paragraph, it is claimed, can not be manufactured under a rate of duty of 25 per cent. The present rate on chloral hydrate is something like 265 per cent, and upon many of these other articles under the present law the duty is very high. I do not remember the rates, but I remember in regard to chloral hydrate the duty is now somewhere about 265 per cent. It can not be argued seriously by anybody upon that side of the Chamber that the rate of duty now proposed upon those articles is too high.

Mr. PENROSE. Of course I am not arguing that the rates are too high. There is hardly a rate in this bill that is high enough, unless it be the rate on caffeine; but I do complain of the inconsistency of the bill. I do complain about the vicious policy of taking a large number of articles from the nondutiable list which are the raw material, the chemical manufacture, and putting them on the dutiable list, and at the same time reducing the duty upon the finished chemical product. I do complain of the attempt, almost surreptitiously, it seems to me, to infuse here and there a spotted protection into the chemical schedule. I have asked for a candid answer to my inquiries, and I have failed to receive it.

Mr. JOHNSON. I hardly think the Senator wishes to characterize in that way what I said. I think I did make him a candid answer and I am surprised that the Senator should, after I have made the statement, so characterize the answer. I am willing to make such an answer as I may be able to make from the information that I am able to give. I am ready now, if there is any answer that I can make to any part of that paragraph, to make it more certain, but I do not think the Senator means to characterize it as lacking in candor upon my part. It may be lacking in information, but so far as candor is concerned, I am certainly surprised that the Senator should make that statement.

Mr. PENROSE. Perhaps I used the wrong term. If the Senator was candid his explanation was not to me at least enlightening and informing.

Mr. JOHNSON. I should very much doubt about my ability to give the Senator any statement which would be enlightening and informing in regard to a tariff bill which he had not himself made according to his own peculiar ideas.

Mr. PENROSE. I simply stated that paragraph 19 arouses much curiosity and interest by reason of the way in which certain preparations have been segregated and jumbled up with different rates of duty, and I threw out the necessary——

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER. Will the Senator from Pennsylvania yield to the Senator from New Jersey?

Mr. PENROSE. In one minute. I threw out the inevitable conclusion that perhaps favorites were being considered and played.

Mr. HUGHES. I simply want to call the Senator's attention to the fact that all those items of the paragraph which he is discussing bear the same rate of duty. One of them reduced was a little under 300 per cent.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. PENROSE. Yes.

Mr. SMOOT. The Senator from Pennsylvania, as I understand him, is complaining that the chemical compound paragraph under this bill provides a rate of 15 per cent, but the chemical compounds mentioned in paragraph 19, made in a certain city of the United States, are taken from the 15 per cent paragraph and put in paragraph 19 with a rate of duty of 25 per cent.

Mr. PENROSE. At 25 per cent.

Mr. HUGHES. I do not want to trench upon the Senator's time, but the Senator from Utah certainly knows that these items are composed of materials that in themselves bear a tax, and under any theory of the tariff bill he must admit——

Mr. SMOOT. That is true as to chloral hydrate, but it is not true as to others. It is not true as to acetylsilicylic acid and a number of the other items in that paragraph. They should fall in paragraph 14 if the bill is to be consistent. I do not want the Senator to misunderstand me, because I do not believe that the rate in paragraph 19 is too high or on some of the items high enough.

Mr. HUGHES. That is what I thought.

Mr. SMOOT. Nor does the Senator from Pennsylvania.

Mr. PENROSE. No.

Mr. SMOOT. But he is complaining of the inconsistency found in the two paragraphs.

Mr. HUGHES. I understood the Senator to say that surreptitiously, by some sort of hugger-muggery, certain individuals in the United States engaged in the manufacture of these articles were given a higher rate than they were entitled to.

Mr. PENROSE. I still think so.

Mr. HUGHES. If the Senator did not say that, I do not care to trench upon his time any further.

Mr. PENROSE. I think there are very strong reasons for placing it there. I have a brief here of John F. Queeny, president of the Monsanto Chemical Works, of St. Louis, Mo. This gentleman, I am informed, has stored up over a million pounds of tea sweepings since this increased duty was contemplated. I do not know whether it is true or not. It is a well-founded report.

Mr. HUGHES. I will say to the Senator, if he will permit me, though I will not interrupt him if he does not care to have me do so, that the gentleman he refers to has given it as his opinion that he will be absolutely unable to manufacture the product referred to under the present rates of duty. We did not agree with him. We believe that we have placed him upon the same basis and on no other basis than that occupied by

every other chemical manufacturer in the United States. I will say to the Senator again I think he is mistaken when he says that all these commodities are not composed of other articles which bear a tax.

Mr. SMOOT. My information I obtained from the appraiser of New York. I do not want to take the time of the Senator from Pennsylvania, but I will show the Senator, if he desires, the letter I have received from the examiner at the port of New York. I asked him specifically about each one of the items, and the rate of duty under the present law, and he tells me that there are certain items in the paragraph that now carry a duty of 25 per cent and there are other items that carry a duty of 55 cents a pound. I do not believe that your expert will deny it.

Mr. PENROSE. Mr. President, the Senator from New Jersey has exhibited a strange sympathy for the pleas of Mr. Queeny and his associates, because they expressed the thought that they could not get along under a reduction of duty. He exhibited a great callousness of feeling, however, when hundreds of other gentlemen from other sections of the country appeared before his committee and stated that their industry would be ruined unless they were aided by an adequate protective duty.

I am not criticizing these rates. I am glad to see this gentleman protected. I notice in his brief which I have here that he asks for the increase of duty in the articles named in paragraph 19, and I am glad that he has got it; but I do protest against favoritism to St. Louis and slaughter for Philadelphia and Boston.

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from New Jersey?

Mr. PENROSE. Yes.

Mr. HUGHES. I will say to the Senator there is not a single rate in that paragraph that Mr. Queeny asked for.

Mr. PENROSE. There may not be what he asked for.

Mr. HUGHES. I will say further, if the Senator will permit me, that the main proposition Mr. Queeny made was that he could not possibly manufacture chloral hydrate at less than 100 per cent equivalent ad valorem, and the view of the committee was that if that was true he was not engaged in a legitimate industry.

Mr. PENROSE. Mr. President, that is simply beating around the bush, in my opinion. Mr. Queeny, it is true, did not get the rate he asked for, but he got a rate extraordinarily larger than that of anybody else manufacturing kindred products. He was able to get segregated——

Mr. JOHNSON. Will the Senator allow me?

Mr. PENROSE. I will yield in a minute. He was able to get from the committee a segregation in a separate paragraph, with a duty raised from 15 per cent ad valorem to 25 per cent ad valorem on certain of the articles in which he was interested, while when people from Philadelphia and from Boston came with their tale of woe they were received with neglect and they addressed their pleas to deaf ears. I yield to the Senator from Maine.

Mr. JOHNSON. The Senator does not wish to make any statement that will not be borne out entirely by the schedule, I am sure. He says that this is a higher rate of duty than we imposed upon the other articles in the schedule.

Mr. PENROSE. Oh, no.

Mr. JOHNSON. That is what I understood the Senator to say.

Mr. PENROSE. No.

Mr. JOHNSON. On any similar compound. There are in this schedule higher rates of duty than 15 per cent and some higher than 25 per cent. We put on oxalic acid a rate of duty of 1½ cents a pound, reducing it from 2 cents a pound, and the equivalent ad valorem is 30 per cent.

With respect to salicylic acid and compounds of barium the rate is much larger than 25 per cent. If the Senator will look through the schedule, he will find that to be true. Take celluloid. The duty is higher than 25 per cent.

Mr. PENROSE. I know it is.

Mr. JOHNSON. If the Senator makes the statement that here we have made a paragraph and given a higher rate of duty than in other paragraphs and sections, it is not borne out by an examination of the schedule.

Mr. SMOOT. I understood the Senator from Pennsylvania to say not that there was not a higher rate of duty in the schedule, but that it was a higher rate of duty than chemical compounds provided for in paragraph 5.

Mr. JOHNSON. Barium dioxide is a chemical compound and has a rate of duty of 25 per cent.

Mr. SMOOT. If the Senator will just wait a moment, I will conclude what I have to say. Celluloid has always been in a paragraph by itself specifically provided for and never fell in the basket clause, nor has it ever fallen in the chemical-compound paragraph.

All that the Senator from Pennsylvania has said is that instead of all the items in paragraph 19, which are all chemical compounds, carrying a rate of duty of 15 per cent, they have been specifically mentioned and a rate of 25 per cent is given them.

Mr. JOHNSON. In reply to that, because the Senator would have it understood that this is the only instance where they are taken out and given a higher rate of duty, I refer to the barium paragraph, No. 11, where chlorate of barium is given a rate of 25 per cent.

Mr. SMOOT. That is true as to those same items specifically.

Mr. JOHNSON. That is a medicinal compound as well as the other.

Mr. SMOOT. Those specific items under the present law are specifically provided for.

Mr. JOHNSON. The Senator's contention that of the chemical compounds in the chemical schedule some fall under the basket clause and some have been segregated and given rates of duty is not true of paragraph 19 alone. Other paragraphs bear a higher rate of duty than 15 per cent, as will appear from an inspection of the schedule.

Mr. PENROSE. Mr. President, the Senator from Maine, for whom I entertain a very high personal esteem, can not, however, represent me as making a statement which I have not made. I have made a statement clear and logical, and it can not be controverted. I did not say that this duty was the highest in the bill. I said that certain articles had been segregated into a separate paragraph from a paragraph where they had been and to which they properly belong with cognate products, and that the result was to favor certain manufacturers and certain importers. The Senator from New Jersey practically admitted this, because he said that representations were made by Queeny and others that they could not compete without the increased duty, and they appealed to the committee.

Mr. JOHNSON. Mr. President, I do not think the Senator from Pennsylvania wishes to misrepresent the Senator from New Jersey [Mr. HUGHES], who is not present in the Chamber at this time. I did not understand that Senator to say or to intimate that there had been any increase in favor of this manufacturer more than any other or that we had yielded to any statements or declarations he had made. Most certainly we did not do so in regard to chloral hydrate. As to all these compounds the Senator has his brief and knows he claimed a much higher rate of duty. As the Senator from New Jersey stated, he wanted a rate of duty of 100 per cent upon chloral hydrate. We gave him 25 per cent. Certainly the Senator can not regard that as any manifestation of favoritism.

While I am on my feet I will say in regard to the segregation of medicinal compounds it appears all through the schedule, even in the magnesia paragraph. Carbonated magnesia bears an equivalent ad valorem duty of 25½ per cent under this bill. That is a medicinal compound. Calcined magnesia bears an equivalent ad valorem duty of 22.7 per cent; and even sulphate of magnesia or Epsom salts 25 per cent, the same rate of duty that is given in this paragraph.

Mr. PENROSE. They have always been provided for in that paragraph.

Mr. JOHNSON. They are medicinal compounds.

Mr. PENROSE. Mr. President, I shall not continue this fruitless discussion any longer; it is unprofitable. When the historian comes to write the story of this tariff bill in the cold light of reason and through the perspective of the years to come, he will declare—because there can be no denial of it—that these articles were taken from the paragraph without any logical reason. There are in the United States only one or two concerns who make these chemical products.

Paragraph 19 arouses much curiosity and interest. The articles treated therein are all medicinal preparations that exhibit no obvious reason for differentiating them from the other medicinal preparations which are covered by the general terms of paragraph 5 of H. R. 3321 and which are dutiable thereunder at only 15 per cent. This paragraph levies a duty of 25 per cent on certain selected medicinal preparations. It can not fail to be of interest to learn why these particular products are thus favored. No explanation was given by the Ways and Means Committee and there is no known economic reason that requires a higher rate of duty on these particular preparations than there is on the others. It may be only a coincidence, but it is a fact that one or more of the concerns referred to in connection with the caffeine paragraph are among the largest producers of these preparations in this country. If not singled out this way they would be dutiable at only 15 per cent. They do

not as imported contain alcohol. The extent of the favor shown by this paragraph is not limited merely to the difference between 15 per cent and 25 per cent duty, because it is a matter of fact that some of the substances from which these preparations are made—the raw materials, so to speak—are granted a much lower rate of duty by H. R. 3321 than they have under the present law. For example, the duty on salicylic acid, the bulk of which is used in the manufacture of salol (p. 163, Report on Schedule A, 62d Cong., 2d sess.), is reduced from the present rate of 5 cents per pound to 2½ cents per pound. No separate figures of imports of the substances have been kept, and so there is no opportunity to learn from that source why these discriminations are made. If 25 per cent is the correct duty for these products, it is the correct duty for all other chemical and medicinal preparations, whether specially provided for or not.

Crude camphor, which has always been free, is made dutiable in paragraph 37 at 1 cent per pound, while the refined camphor, which is made therefrom, is reduced from 6 cents per pound to 5 cents per pound.

This is but another example of the indefensible economic theory of placing duty on the raw material and reducing the rate of the finished product.

The duty of 1 cent per pound on crude camphor is equivalent to 1⅛ cents per pound in the cost of the refined, leaving a net duty on the refined of only 3⅞ cents per pound, or equivalent to about 11½ per centum ad valorem.

Now, let us see where we come out under this extraordinary method of economic policy and fiscal legislation.

The Tokyo Economist reports that the total quantity of crude camphor delivered during the present fiscal year to the camphor refiners in Japan by the monopoly bureau and by the Formosan authorities, in equal quantities, amounts to 2,400,000 kin. Compared with the previous year, the quantity to be delivered by the Formosan authorities shows an increase of 100,000 kin and the quantity to be delivered by the monopoly bureau an increase of 140,000 kin. The quantity delivered to each refinery is as follows:

I shall ask to have the list of the refineries inserted as a part of my remarks. There are only five or six of them.

The PRESIDING OFFICER. In the absence of objection, that will be done.

The matter referred to is as follows:

Refiner.	Quantity.	Increase.
	Kin.	*Kin.*
Suzuki	1,200,000	100,000
Osaka Camphor Co	470,000	400
Kobe Camphor Co	300,000	34,300
Fujisawa	260,000	15,000
Messrs. Lucas & Co	170,000	90,300
Total	2,400,000	240,000

Mr. PENROSE. The Tokyo Economist continues:

The quantity delivered to each refiner having increased this year, they have to seek a new field for sales, and are keen in competition for taking contracts, with the result that slab camphor, which has been ruling at over 70 sen per pound, has declined to 67 sen. When the proposed amendment of the United States customs is passed by Congress the duty on refined camphor will be reduced from 6 to 5 cents per pound and crude camphor (now admitted duty free) will be subjected to a duty of 1 cent per pound. Thus the proposed amendment of the tariff will seriously affect the camphor-refining industry in America and benefit Japanese refiners accordingly. In these circumstances the latter are contemplating opening up new fields for business in America. It is therefore believed that in view of the good market for camphor abroad last year the increased quantity to be delivered this year will not affect the market, but that, on the contrary, a further development of the Japanese camphor market abroad will be seen.

Mr. President, upon what argument the raw material of this product receives a duty and is taken from the free list and the duty upon the finished product is so reduced as to possibly, and most likely, place the American manufacturer at the mercy of the Japanese manufacturer is to me one of those mysteries which the dark secrecy of the Democratic caucus has failed to give an explanation of.

Now, let us take paragraph 44. Menthol is made dutiable at 50 cents per pound. This is another instance where a specific rate of duty has been fixed seemingly without a proper consideration of the market value of the article or of the propriety of preserving some symmetry between the rates of duty on productions of the same kind. Menthol is the name given to peppermint crystals made by distilling the peppermint plant, collecting the oil from the distillate, and then chilling or freezing the oil. Under the present law menthol is not specially provided for, and it is classified for duty as a medicinal preparation, at 25 per cent. The ad valorem equivalent of the new rate is given in the Ways and Means Handbook as 16.67 per cent, based upon the unit value of $3 per pound. It is not believed, however, that this figure can be accepted as correct for the reason that the price of menthol fluctuates greatly in consequence of the supply failing to keep pace with the demand, which is increasing greatly under the new uses being found for these crystals. Some weeks ago menthol was quoted in New York at $10.25 per pound. Why should this article be singled out for a specific duty, especially in view of its fluctuating value?

Mr. JOHNSON. Mr. President, the Senator has already given the reason. It is because of its fluctuating value that the specific duty is placed upon it.

Mr. PENROSE. Well, Mr. President, that would be a reason from a Republican point of view, but it is not a consistent argument from the Democratic point of view. The report of the majority of the House Ways and Means Committee on this bill contains a most labored defense of ad valorem duties. What I complain of, Mr. President, in this bill is not that the bill is right occasionally, but that it is inconsistent. I did not make a condemnation of imposing specific duties on this article, but I addressed to the majority in this Chamber the query, Why has this article been singled out for a specific duty when other articles equally fluctuating have received ad valorem duties? I do not complain in the same way or criticize 25 per cent ad valorem on the medicinal compounds already referred to, but I do criticize this favoritism in taking some of them out from the paragraph where they were at only 15 per cent ad valorem. My inquiry was, Why did the Democracy abandon their favorite doctrine of ad valorem duties and go to a specific proposition?

Paragraph 47 transfers to the dutiable list a large number of essential oils which have hitherto been free. This has been done apparently upon the presumption that they are all articles of luxury and should be taxed. As a matter of fact, however, a great many of these oils are used in cheap soaps for the purpose of neutralizing the disagreeable odor of such soaps. What is the necessity for enumerating all these oils by their individual names since all are dutiable at the same rate, 20 per cent? There seems to be no more reason for mentioning these particular oils than there is for mentioning the many other distilled and essential oils that are covered by the "not specially provided for" phrase in this paragraph.

Paragraph 64 furnishes another example of the error so common in H. R. 3321 of placing a lower rate of duty on a finished article than is imposed upon the materials which go to make up the finished article. How such a policy as this can be justified from any standpoint it is impossible to say. In this paragraph, 64, for example, enamel paints are made dutiable at 15 per cent, while paragraph 59 imposes upon certain spirit varnishes a duty which is equivalent to over 54 per cent, yet enamel paints are enamel paints because they are made with varnish, although it is true cheaper substitutes are now being used. Again, paints, colors, and pigments generally are made dutiable at 15 per cent, yet many of these dry colors are made from coal-tar colors or dyes, upon which paragraph 21 levies a duty of 30 per cent. I call attention to the testimony of Arthur S. Somers, a Woodrow Wilson presidential elector from New York State, Tariff Hearings, Volume I, page 330.

Paragraph 66 seems open to severe criticism, for it selects the salts and other compounds and mixtures of certain metals and admits them to duty at a rate of 10 per cent as against the general rate of 15 per cent in paragraph 5, and the rate in paragraph 146 of 25 per cent on salts of antimony. It is possible that the great value of the material as compared with the labor cost in the case of the salts of gold, platinum, rhodium, silver, and even tin may justify levying a low rate on them, but there certainly seems no reason for singling bismuth salts out for such exceptional treatment. The most important bismuth salts are bismuth subnitrate and bismuth subgallate. Their chemical constitution and their overwhelming use bring them properly within the scope of paragraph 5 of H. R. 3321. The subnitrate is used chiefly internally in gastric affections and to a limited extent externally for dressing wounds and in lotions and in face powders. The subgallate is chiefly used externally for dressing wounds and for diarrhea. There is no valid reason why these salts should be placed in paragraphs with other entirely unrelated products. There is no association in quality, value, production, or use between the salts of bismuth on the one hand and the salts of gold, platinum, rhodium, and silver on the other. The salts of these precious metals range at a value of from 50 to 1,000 times the value of bismuth; and all the substances mentioned in the paragraph, with the exception of bismuth, are overwhelmingly used in industry and in the arts. The so-called "gold cures" have

nothing to do with gold. Silver nitrate is used as a caustic, but its principal use is technical.

Now, let us take sulphide of soda, which is covered by paragraph 68. While these articles to a person not familiar with the question do not mean very much, it must be borne in mind that every one of them is of most general use, and in the great majority of cases essential to the arts, to agriculture, to medicine, and to industry in general. Sulphide of soda is a very important article of commerce and imported in large quantities, comes in two grades, the crude and the concentrated, the latter containing twice as much sulphide of soda content as the former. Recognizing this fact, the present law imposes upon the concentrated sulphide of soda a duty of three-fourths of a cent per pound, while upon the crude sulphide of soda the duty is only three-eighths of a cent per pound. In view of the passion for ad valorem duties which seems to have swept the members of the majority, we should naturally expect to find an ad valorem rate imposed upon this product, for from their viewpoint it must seem an ideal subject for an ad valorem rate. We find, however, on examination of the bill, no such thing. We find merely a provision for sulphide of soda at a rate of one-fourth of a cent per pound. This contradicts all their theories, and there must be a bad effect on the revenue, for it is obvious that with the same rate of duty on crude sulphide of soda and concentrated sulphide of soda only the latter will be imported.

The cyanide situation created by the bill reported by the Finance Committee of the Senate is similar to that existing in 1897, when the Dingley tariff was under discussion.

At that time only cyanide of potassium was known, and the duty of 25 per cent was reduced by the Dingley tariff to 12½ per cent.

The Hon. Nelson Dingley, jr., in his speech introducing the conference report, stated:

> The duty on cyanide of potassium, which was placed by the Senate at 12½ *per cent*, has been unwillingly left at that point by the House conferees. The House conferees believed that this article should have been left as it was in the House bill, with a duty which we regarded as protective; but the insistence of the Senate on this amendment has finally obliged the House conferees to surrender on that point and to accept simply the 12½ per cent provided by the Senate amendment.

Mr. President, this incident, which might seem unimportant to the average person listening to my statement, is full of the deepest significance. I was in the Senate when the Dingley bill became a law, and I recall the reduction of that duty from 25 per cent, which was carried in the bill when it came over to the Senate in 1897, to 12½ per cent, given it by the Senate Finance Committee. The reduction was made at the urgent solicitation of the then Senator Jones, of Nevada, and other western Senators representing States having gold and silver mines. What was the result? In consequence of the reduction of the duty rate from 25 per cent to 12½ per cent, the manufacture of cyanide of potassium was discontinued in this country. Under the protection of 25 per cent duty, however, the manufacture of cyanide of sodium, then not known commercially, was taken up in this country and has flourished and developed to quite a large industry, over 10,000,000 pounds of cyanide of sodium being now manufactured in the United States yearly.

If cyanide of sodium should be put on the free list, in all probability its manufacture would also be abandoned in this country, and the country be deprived of a large consumption of charcoal, caustic soda, and ammonia, these articles being the raw materials used in the manufacture of cyanide of sodium.

The direct effect of the manufacture of cyanide of sodium in this country, and on the other side the abandonment of the manufacture of cyanide of potassium, is that to-day cyanide of potassium is sold at 1 cent higher than cyanide of sodium, although cyanide of potassium pays at present only 12½ per cent duty, while cyanide of sodium pays 25 per cent.

The cyanide of potassium is all imported, and the cyanide of sodium is all manufactured here, the price of the former being 1 cent higher than the cyanide of sodium.

Mr. President, this incident of cyanide of potassium has often been referred to by the historian of tariff debates to show how little the American consumer has benefited by the reduction of a duty which results in the destruction of an industry. The American industry of cyanide of potassium having been destroyed by the reduction made in the Dingley law, the American consumer, as I have said, had to import all of this article from Germany, with the consequent result that he was compelled to pay 1 cent higher for cyanide of potassium than he was for cyanide of sodium, all of which was made in the United States, and which was paying a duty of 25 per cent ad valorem. Had the duty been kept, as Mr. Dingley wanted it, upon cyanide of potassium, and had not the Senate committee been compelled to yield to the demands of a small group of western Senators, most of them at that time on the Republican side of this Chamber, the American industry would doubtless be flourishing to-day and the American consumer would not be at the mercy of the German syndicate and the German trust.

Now, I am going to close this very inadequate analysis of some of the inconsistencies of Schedule A by calling attention to the cyanide of potassium situation in the present Congress, because it offers an illustration of what has happened and what will happen. No better illustration is furnished than by the situation involved in the cyanide of potassium and the cyanide of sodium duties.

On the subject of cyanide I have some copies of a correspondence which illustrates how history repeats itself. The situation to-day regarding cyanide of sodium in this body is very much the same as it was 16 years ago in connection with cyanide of potassium. The correspondence consists of letters written by and to certain Senators of the majority. The first in order is a copy of a letter (A) addressed to Hon. Charles F. Johnson, chairman of Subcommittee No. 3 of the Finance Committee, in which certain statements appear to the effect that the principal concern in this country which manufactures cyanide of sodium is merely the selling agent of a large German house, and that the manufacturing plant at Perth Amboy, N. J., is maintained only as an excuse for a protective tariff. This letter was signed by the junior Senator from Nevada [Mr. PITTMAN], the two Senators from Montana [Mr. WALSH and Mr. MYERS], the senior Senator from Oregon [Mr. CHAMBERLAIN], and the junior Senator from Arizona [Mr. ASHURST]. Even the presence of these distinguished names did not inspire implicit confidence in the junior Senator from Oregon [Mr. LANE], for he attached to the communication the following:

> If the statements above are true, I cheerfully indorse the proposition.
> HARRY LANE,
> *New Democratic Senator from Oregon.*

The junior Senator from Oregon may now just as cheerfully withdraw his indorsement, for the "statements above" are not true and their incorrectness is clearly demonstrated in the next letter (B) of the series, which I shall read in a few moments. This letter was apparently provoked by the communication I just referred to, and it was sent to the junior Senator from Nevada by the Roessler & Hasslacher Chemical Co., of New York, who are American manufacturers of sodium cyanide. The next item in the correspondence is a a copy of a letter (C) from the junior Senator from Nevada acknowledging the receipt of the letter just referred to and promising that he would give the matter careful consideration. What he did I do not know. The correspondence closes with a copy of a letter (D) to the junior Senator from Nevada from the Roessler & Hasslacher Chemical Co., of New York, in which they repeat much of what they said before, and to my mind make a very effective argument for the retention of the duty on cyanide of sodium.

Now, without presuming to criticize my Democratic colleagues from the West in using their influence as Senators to obtain this favor for those of their constituents who own gold and silver mines, I can not refrain from saying that it is indeed a hardship to crush out a domestic manufacturing industry so as to save perchance a little money to the millionaire magnates owning gold and silver properties. It has not hitherto been a matter of public knowledge that these fortunate owners of gold and silver mines have felt the burden of the duty on cyanide of sodium. It is preposterous to put a duty on bananas, for example, and relieve cyanide of sodium from all duty. Bananas are a food product used by millions of people—cyanide of sodium is used by only the millionaire owners of gold and silver mines.

I shall not detain the Senate much longer. The more I examine this bill the more inconsistencies and unjustifiable discriminations I find in it, and the more impressed I am with the hypocritical pretense that it is an honest, well-considered measure for a reduction of the tariff duties without fear or favor. Why, Mr. President, it fairly bristles with inequalities and discriminations, some of which are obviously due to lack of knowledge and proper consideration, but others of which must be due to other influences.

I do not for one moment mean to say or to intimate that any Senator has been actuated by other than the best of motives. My theory is that the subcommittee men were imposed on by interested parties who acted through people who had the confidence of the committeemen. Otherwise how do you explain the discriminations on chemical and medicinal salts, compounds, and preparations? Bismuth salts are in paragraph 66 at only 10 per cent, while antimony salts and compounds are in paragraph 146 at 25 per cent, lead compounds in paragraph 58 at 20 per cent, and the rate in the basket clause for salts and compounds not specially provided for is 15 per cent. Why is

this? Chloral hydrate, salol, acetanilid, antipyrine, aspirin, etc., are in paragraph 19 at 25 per cent; menthol is in paragraph 44 at a specific rate of 50 cents per pound, the equivalent ad valorem has ranged within the past few years from 5 per cent to 26 per cent, while the rate in the basket clause for medicinal preparations is 15 per cent. Why is this?

The chemical industry is one that is peculiarly liable to be made the victim of dumping. The reason for this is that the enormous development of the chemical industry in Germany results in a production which is vastly greater than is necessary to supply the demands of the German consumption. As a necessary consequence an outlet for the surplus product must be found in foreign countries, and it is needless to say that this country of ours is the very best country on the face of the earth for that purpose. German manufacturers are permitted, indeed encouraged, to sell in foreign countries at lower prices than those which they obtain in the home market.

This sacrifice, the Germans believe, is justified by the enormous benefits they receive through the expansion of their foreign trade. They figure that the increased volume of business and the increased number of men employed more than balances the tax which they impose upon themselves by paying more for their chemicals at home than the chemicals are sold for abroad. Therefore, the American chemical industry is not only threatened with the ordinary and usual incidents of a heavy reduction in tariff duties, but it is also threatened with absolute destruction in many lines because of the dumping practice.

Mr. President, I had intended to read the correspondence to which I have referred, but I have detained the Senate longer than I had expected. I will therefore ask to have it inserted as a part of my remarks.

The PRESIDING OFFICER. In the absence of objection, that will be done.

The matter referred to is as follows:

A.

[From Tariff Schedules.]

Briefs and statements filed with the Committee on Finance, United States Senate—Schedule A—Hon. Key Pittman, United States Senate, and others.

UNITED STATES SENATE,
Washington, D. C., May 23, 1913.

Hon. CHARLES F. JOHNSON,
Chairman of Subcommittee No. 3 of the Finance Committee, United States Senate.

DEAR SIR: We desire to call your attention to the fact that in the chemical schedule (A) a duty of 1½ cents per pound is imposed upon potassium cyanide, sodium cyanide, and other combinations of cyanide.

Cyanide and other combinations of cyanide are universally used throughout the mining States in the reduction of ores; in fact, it is almost an essential to economical milling of nearly all the gold and silver ores of the West, and no satisfactory substitute is known. Practically all combinations of cyanide consumed in this country are manufactured in Germany, and the sale of same in the United States is controlled absolutely by Roessler & Hasslacher Chemical Co., of New York City. This firm maintains a small plant for the manufacture of cyanide at Perth Amboy, N. J., but this plant is capable of supplying only a small percentage of the cyanide used, and is only maintained as an excuse for a protective tariff. This protective tariff enables the selling agent in the United States to obtain 3 cents a pound more for the product in this country than they obtain for the same product in Mexico. In other words, the same sales agents sell the chemical compounds of cyanide in Mexico for 14 cents a pound and in the United States for 17 cents a pound.

The manufacture and sale of cyanide, at the present time, is an absolute monopoly, and we believe that under our platform it should be put upon the free list.

As this is a matter of great importance to the mining interest throughout the Western States, we respectfully urge upon you that you give this matter early attention, and, if possible, grant this small concession to the Western States.

Respectfully submitted.

KEY PITTMANN,
Democratic Senator from Nevada.
T. J. WALSH,
Democratic Senator from Montana.
H. L. MYERS,
Democratic Senator from Montana.
G. E. CHAMBERLAIN,
Democratic Senator from Oregon.
HENRY F. ASHURST,
Democratic Senator from Arizona.

If the statements above are true, I cheerfully indorse the proposition.

HARRY LANE,
New Democratic Senator from Oregon.

B.

NEW YORK, *June 25, 1913.*

Hon. KEY PITTMAN,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of May 23 addressed to Hon. Charles F. Johnson has only now come to our knowledge, and as our company is mentioned in this letter and materially affected by its contents, we respectfully beg to submit the following:

The statements contained in your letter were evidently based on a misapprehension, without knowledge of the true facts.

You erred in the statement that "all combinations of cyanide consumed in this country are manufactured in Germany." By far the largest quantity of cyanide consumed in the United States is manufactured in the United States and is not imported.

It is true that the cyanide of potassium, with the exception of comparatively small quantities which are manufactured in New Bedford, Mass., St. Louis, Mo., and Philadelphia, Pa., has been imported from Germany and England since the enactment of the Dingley Tariff Act in 1897, which reduced the duty on cyanide of potassium from 25 to 12½ per cent. However, cyanide of potassium is now used only to a limited extent; the large consumption of cyanide is in the form of cyanide of sodium.

The cyanide of sodium consumed in this country is almost all manufactured in the United States in our factory in Perth Amboy, N. J. Our sales of the different grades manufactured amounted during 1912 to 12,000,000 pounds, the different grades being calculated on the basis of the equivalent of 100 per cent. Therefore, your statement that we maintain only "a small plant for the manufacture of cyanide at Perth Amboy, N. J.," is also erroneous.

Permit us further to take exception to your statement that our manufacture of cyanide "is maintained as an excuse for a protective tariff." The protective tariff has enabled us to take up the manufacture in this country in competition to European manufacturers; without such protection we never would have been able to establish such an industry in this country, which, in the meantime, from a small beginning has developed to the present large extent. You can form an idea of what this industry means when we tell you that in the last 10 years we have used:

Caustic soda	pounds	54,750,357
Charcoal	do	29,838,617
Ammonia	do	83,003,696
Coal	do	187,196,184
K. W. horsepower	kilowatt	196,825,125

and have paid in wages $1,285,846, thereby considerably aiding the development of power stations, the electrolytic manufacture of caustic, the large industry of wood distillation producing the charcoal; furthermore, assisting materially the utilization of the by-products of gas works and coke ovens which furnish the ammonia.

Add to the above amount of wages the great amount of wages paid for the manufacture of the consumed caustic, charcoal, ammonia, coal, and power, and you can form an idea how much the country at large is benefited by the domestic manufacture of cyanide.

Permit us to say a few words about your statement that "the manufacture and sale of cyanide at the present time is an absolute monopoly."

We have nothing to do with the sale of the English cyanide of potassium, nor with the small production in New Bedford, St. Louis, and Philadelphia. If we hold a paramount position in the cyanide of sodium business in the United States, we do this not by artificial and unlawful means, but by the superiority of our patented processes. We have acquired these processes and developed them in order to adapt them to the conditions prevailing in this country.

With regard to what you say about Mexico we call attention to the fact that the cyanide sold in Mexico is of European make and not of United States make.

While the present duty of 25 per cent for cyanide of sodium was at first necessary to establish the industry in this country, we admit and have so expressed in our briefs that the duty can now be reduced, but please do not kill our industry by putting cyanide on the free list.

The amount paid for labor and similar manufacturing conditions would be:

In Europe only about	$430,000
As against ours of	1,285,846

Machinery, etc., is here also more costly than in Europe. If the cyanide industry is to be retained in this country Congress should to some extent compensate for such differences by a duty.

Do not think either that your constituents, our western customers and friends, are altogether benefited if the manufacture of cyanide is wiped out in this country. It is an inconvenient and dangerous thing to be dependent on importation only for such a necessary commodity.

For all the above considerations we pray use your influence that cyanide, which in consequence of your letter, was placed on the free list, is again restored to the dutiable list, thereby benefiting your constituents as well as the country at large.

Respectfully, yours,
THE ROESSLER & HASSLACHER CHEMICAL CO.,
JACOB HASSLACHER, *President.*

P. S.—We have addressed in similar manner all the honorable Senators who with you have signed the letter in question, and have also sent copy of such letter to some other Members of Congress.

C.

UNITED STATES SENATE,
Committee on Territories, July 2, 1913.

ROESSLER & HASSLACHER CHEMICAL CO.,
100 William Street, New York City.

GENTLEMEN: I acknowledge receipt of your letter of June 25 relative to cyanide compounds. I certainly had no intention of making any misstatement in regard to the production or sale of cyanide. I had in mind of course cyanide of potassium while testifying, as this is a product that is largely used by the milling companies in my section of the country. I still contend that you have shown no reasonable excuse why cyanide of potassium should be sold at 14 cents in Mexico and 17 cents in the United States. The facts that I stated to the committee were based upon statements made to me by the users of cyanide in the State of Nevada. I will give this matter, however, careful consideration.

Very truly, yours,
KEY PITTMAN.

D.

JULY 7, 1913.

Hon. KEY PITTMAN,
Chairman Committee on Territories,
United States Senate, Washington, D. C.

DEAR SIR: Your favor of July 2 reached us, on account of the holiday, only to-day, and in reply we beg to state that the large consumption in your State is not for cyanide of potassium but for cyanide of sodium. We have sold to the mines in Nevada during the last three years 8,257,394 pounds of cyanide of sodium, manufactured in this country, while, during the same period, only 190,000 pounds of imported cyanide of potassium were sold in Nevada.

In Mexico there is at present no consumption of cyanide of potassium, the mines in Mexico using only cyanide of sodium.

The lowest price for cyanide of sodium in Mexico is not 14 cents per pound, but 15 cents per pound.

Practically all the cyanide consumed in Mexico is manufactured in Europe, where they have almost everything much cheaper than we have at our disposal here in the United States, particularly labor, being in Europe only one-third of the amount we have to pay here, as stated in our letter of June 25.

We may further add that in 1901, the year before we took up the manufacture of cyanide of sodium, the price for cyanide was 24 cents per pound.

In 1902, when we took up the manufacture of cyanide, the price for cyanide, in competition with European manufacture, was reduced to 22 cents per pound, and from that time on, in consequence of our gradually improving our process and increasing our production, the price went down to 17 cents per pound.

During the same period the amount of our production increased from 526,463 pounds in 1902 to 12,221,569 pounds in 1912, and we can promise already to-day a reduction in the price to at least 16 cents per pound for next year if we can continue to manufacture under moderate protection on a large scale.

It is certainly in the interest of your constituents to have the American manufacturers of cyanide supported by a moderate duty, setting aside that the country at large is benefited immensely by the large use of raw materials and the large amount of money paid for wages. We have given these figures in our letter of June 25, and we repeat them here as follows:

We have used in the manufacture of cyanide in the last 10 years—

Caustic soda	pounds	54,750,357
Charcoal	do	29,838,517
Ammonia	do	83,003,696
Coal	do	187,196,184
Horsepower	kilowatt	198,825,125

all of the above being of American manufacture, requiring large amounts of American wages.

We inclose herewith six copies of the present letter, with the respectful request to kindly hand one copy to Hon. Senator F. M. SIMMONS, chairman of the Committee on Finance, and to distribute the other copies at your discretion.

Again appealing to you and your honorable colleagues to be content with a reduction in the duty on the cyanides and not to entirely abolish the same, thereby acting in the best interest of your constituents *as well as* for the country at large, we remain,

Very truly, yours,

THE ROESSLER & HASSLACHER CHEMICAL CO.

Mr. BRISTOW. Mr. President, for some days I have felt that it was due to myself to make a statement in regard to the Mexican situation, and I desire to do so at this time.

On August 21, when the resolution relating to Mexico was before the Senate, among other things, I said:

So far as sustaining the Government of our country in its effort to remedy the chaos that exists there, I think we are all agreed. We may hold different opinions as to the proper method that ought to be adopted, but that is only natural. While efforts are being made by the President to solve these problems and to protect our people in their rights I think we ought to stand together.

I believed it the duty of Congress to indicate to Mr. Huerta and the Mexican people that it would stand by the President in the exercise of his constitutional rights, and I felt further that such a declaration was necessary in order to strengthen the hands of Mr. Lind in his efforts to carry out the instructions given him by the President.

However, I do not want the position which I took at that time to be regarded as a complete concurrence in the policy which the administration has subsequently announced.

Felix Diaz organized a revolt against the Mexican Government under Madero. President Madero sent the Federal army, commanded by Gen. Huerta, to suppress the rebellion; but Huerta, instead of fighting Diaz's army, was in league with him, and at an opportune time Madero was seized, imprisoned, and afterwards murdered, and Huerta was declared Provisional President.

The partisan followers of Madero immediately after his assassination, under the leadership of Gen. Carranza, of the State of Coahuila, organized an army to take from Huerta the authority he had seized; and since that time they have maintained a military force in the field which, up to this date, Huerta has been unable to defeat.

President Wilson has declined to recognize Huerta as the rightful President of the Mexican people, presumably upon the ground that he acquired the position he now holds as the result of assassination and treachery, and that our Government can not recognize him without in a measure concurring in the methods of his usurpation. From the beginning I have believed that this position taken by the President was right.

From the time Huerta seized the Government he has been permitted to purchase in the United States arms and munitions of war as though he were rightfully the President of Mexico, while Carranza, at the head of the followers of Madero, who term themselves Constitutionalists, has not been permitted to purchase arms with which to carry on his war against the usurper.

The situation, therefore, is that our country, by virtue of its attitude toward Huerta, has denounced him as a usurper unworthy of recognition and not the rightful President; yet it has permitted him to purchase arms in the United States, and by so doing has thereby recognized him as the President of Mexico; because if he were not, under the proclamation of President Taft of March, 1912, which is still in force, he would have no right to import such arms. If Huerta is not the lawful President—and Mr. Wilson declines to recognize him as such—then Carranza, who represents the Madero régime, is fighting for the triumph of rightful authority; and, as the head of an army and in actual control of the government of several of the most powerful Mexican States, it seems to me that he is entitled to recognition as a belligerent. Yet such recognition has been refused him. If Huerta was wrong, then the constitutionalists are fighting for what is right; yet we have refused to permit them to have an equal opportunity to maintain their rights as against the usurper.

After months of waiting and negotiation, the President has at last determined to withhold further supplies of arms from Huerta. But in the meantime he has already equipped his army, and the press reports advise us that he proposes in person to attack the constitutionalists, who, from our point of view, are fighting for the restoration of rightful authority; yet we have not permitted them to equip themselves with arms and munitions to do so successfully. In other words, we have extended aid to those whom we hold to be in the wrong and denied it to those who appear to be in the right.

This, in brief, is the inconsistent position in which we find ourselves, and every day seems to add to our embarrassment and humiliation.

I am not now in favor of intervention, and hope the time will never come when I shall be. I believe the Mexican people should be permitted to fight out their own domestic troubles the same as we did from 1861 to 1865. However, it appears to me that every sense of fairness on our part demands that Carranza and his followers should be given the right to purchase arms and munitions of war so as to place them, so far as we are concerned, upon an equal footing with Huerta. Having refused to recognize Huerta, any other course on our part, it seems to me, is indefensible.

The press of the country has carried the statement that the entire Congress is behind Mr. Wilson in his Mexican policy. This I believe to be true so far as it relates to his efforts to restore order in Mexico without armed intervention on our part. I can not, however, let the impression prevail unchallenged that I approve that part of the President's policy in withholding from Carranza the full rights that heretofore have been extended to Huerta. If both elements in Mexico from the beginning had been given equal consideration, in my opinion intervention could far more easily have been avoided.

Nor do I concur in the President's warning to Americans to leave Mexico. That seems to me to be unfortunate. From the tone of the foreign press it is doubtless understood abroad to mean ultimate intervention on the part of the United States. Apparently they regard it as an indication that, the two countries being about to engage in war, the President has notified Americans of the peril which may await them in such an event. From the President's declarations, however, that manifestly is not his purpose. He seems to have concluded that there is anarchy in Mexico, and that our people residing there are in danger and that our Government either can not or is not disposed to protect them in the exercise of the rights which they have under our treaties with the Mexican Republic. I can not but feel that Americans who are there know their peril fully as well as does the President.

A warning to both of the Mexican factions that all law-abiding American citizens must be protected in their treaty rights it seems to me would have been much more comforting and useful to our people than the course that has been followed.

Mr. SHEPPARD. Mr. President, I noted the statement of the Senator, if I understood him correctly, that the administration had permitted the exportation of arms to Huerta.

Mr. BRISTOW. The Huerta government has been permitted to purchase arms until the last week.

Mr. SHEPPARD. As I understand, only a very small amount of arms was allowed to be exported to the Huerta government; but since the rejection of Mr. Lind's proffer of mediation the rule against the exportation of arms to either side has been rigidly enforced.

Mr. BRISTOW. Since last week, as I stated in the statement I read. Prior to that Huerta was at liberty, of course, as the head of the Mexican Government, to import arms, and he did.

Mr. BACON. Mr. President, there is no distinct proposition now before the Senate, and therefore I do not think it profitable that we should at this time engage in the discussion of this subject. Possibly at some time there will be some distinct

propositions to be acted upon; and then, of course, we will discuss it.

I do not see, however, that anything will be profited by discussing now the questions which have been raised by the Senator from Kansas. I think, however, I can say with the utmost confidence that the statement made by the Senator from Texas [Mr. SHEPPARD] and recognized by the Senator from Kansas [Mr. BRISTOW] is absolutely true, that the embargo on arms and munitions of war is now being rigidly and impartially enforced as to each of the contending factions in Mexico, and will continue to be so enforced.

As to the past, there is now no advantage in criticizing what has been done. That is the present status; and I feel that I can say with the utmost confidence that that provision of law is being administered by the Executive with the utmost impartiality and rigidity.

Mr. BRISTOW. I do not doubt it, and I so stated distinctly.

Mr. BACON. Yes; I know that.

Mr. BRISTOW. I will state, further, that I did not introduce any resolution because I did not wish to precipitate at this time a discussion of the Mexican situation.

Mr. BACON. I recognize that.

Mr. BRISTOW. But the universal statement of the press that the President had the united Congress behind him was such that I felt that I wanted to make a statement as I have, because so far as efforts are being made to settle the controversies in Mexico without intervention I am in thorough accord with them, but there are certain methods that I did not want to be quoted as standing for. So I have felt it due to myself to outline my views in this statement at this time.

Mr. BACON. I understood the Senator to state substantially what he has just repeated; and I am saying what I do simply in order that the failure to respond may not be misconstrued.

I believe it is true that both branches of the Congress of the United States and the people of the United States generally are in hearty accord with the desire of the President to work out this distressing and difficult problem without involving us in the great disaster of war, and, recognizing that fact, that the Congress and the public are in accord in the purpose to give the President full latitude and opportunity for the working out of such devices as he may see proper to use in that effort.

As to details, of course it would be an impossibility that people should all agree upon them. We differ among ourselves on details. I have no doubt it is true, as stated by the Senator from Kansas, that there are differences between many of the public and many in Congress as to the details of the methods now being used; but as a matter of necessity, in the use of effective means, there must be a subordination of those differences to the general purpose which is had in view, about which we are not divided on either side of this Chamber, so far as I understand. That is all that I deem it proper or advisable to say at this time.

Mr. SIMMONS. Mr. President, I ask that we may proceed with the bill.

The SECRETARY. The pending amendment is, on page 124, paragraph 403½, line 20, where it is proposed to strike out the comma after the word "alizarin."

Mr. SIMMONS. Mr. President, the Senator from Maine [Mr. JOHNSON] is not in the Chamber. He has been making some investigations as to that matter. I do not know what conclusion he has reached. I will ask that the paragraph may be put over until he returns to the Chamber.

Mr. SMOOT. That is perfectly satisfactory. I should very much prefer to have the Senator in the Chamber when I make the statement I have to make in relation to the paragraph.

The PRESIDING OFFICER. Without objection, the paragraph will be passed over.

The SECRETARY. The next paragraph passed over is on page 127, paragraph 412, which was passed over on the request of the senior Senator from Utah [Mr. SMOOT].

Mr. SMOOT. Mr. President, since the amendment was adopted by the Senate on the paragraph relating to the return of boxes, and so forth, I have no objection to this. I was going to call attention to this paragraph in connection with the other. The amendment that I suggested was adopted, and therefore I have no objection to this.

The SECRETARY. The next paragraph passed over is on page 129, paragraph 416, relating to bagging for cotton, gunny cloth, and so forth. The paragraph was passed over upon the request of the senior Senator from Massachusetts [Mr. LODGE].

Mr. WILLIAMS. Mr. President, before we go into that I wish to recur for a moment to paragraph 279 for the purpose of adopting the Senate amendments. I move, in line 7, page 84, following the comma which succeeds the word "hemp," to insert the word "jute" and a comma.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 84, line 7, after the word "hemp" and the comma, it is proposed to insert the word "jute" and a comma.

The amendment was agreed to.

Mr. WILLIAMS. In connection with paragraph 416, I believe the Senate has already adopted an amendment to strike out the words "nor in any manner loaded so as to increase the weight per yard." Has that been already adopted?

The PRESIDING OFFICER. The Chair is advised that it has been already adopted. The Chair is advised, however, that the other amendments proposed by the committee have not yet been disposed of.

Mr. WILLIAMS. Very well; then I move the adoption of the Senate committee amendments.

The SECRETARY. On page 129, line 6, after the word "butts" and the comma, it is proposed to strike out "seg, Russian seg, New Zealand tow, Norwegian tow."

The amendment was agreed to.

The SECRETARY. On page 129, line 11, after the word "yard," it is proposed to insert a semicolon and the words:

Plain woven fabrics of single jute yarns by whatever name known, not bleached, dyed, colored, stained, printed, or rendered nonimflammable by any process, waste of any of the above articles suitable for the manufacture of paper.

Mr. WILLIAMS. I move to substitute the word "and" for the comma after the word "process," on line 13.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. THOMAS. I ask leave to recur to paragraph 301, to which the committee offers an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 89, paragraph 301, after the word "bandings," in line 8, it is proposed to insert the word "belts."

Mr. SMOOT. That has already been inserted. It was agreed to on August 23.

The PRESIDING OFFICER. It appears that the amendment has already been agreed to.

Mr. THOMAS. I am informed by the Senator from Utah that that insertion has already been made.

The PRESIDING OFFICER. The Chair is so advised.

Mr. THOMAS. Let me inquire if the other amendment to that paragraph has also been made?

The PRESIDING OFFICER. Another amendment tendered to the same paragraph has been agreed to. The Chair is advised, however, that the language of the amendment as it was adopted does not entirely conform to the language of the amendment now offered by the Senator from Colorado. The Secretary will read the amendment which has been adopted.

The SECRETARY. On August 23, the following amendment was adopted: On page 89, line 11, after the word "value" and the comma, the following words were inserted: "and not specially provided for in this section." That amendment was agreed to.

Mr. THOMAS. That is satisfactory.

Mr. SMOOT. It is the same thing.

Mr. THOMAS. Yes; that is satisfactory.

Mr. SMOOT. Before finally leaving paragraph 416 I wish to ask that it may be passed over until the senior Senator from Massachusetts [Mr. LODGE] returns to the Chamber. He has been called from the Chamber. I should like to have it understood that he may refer back to this paragraph, and not have to wait until it gets into the Senate, but that he may take it up as soon as he comes in.

Mr. WILLIAMS. That is satisfactory to us.

The SECRETARY. On page 130, the next paragraph passed over is paragraph 423, relating to binding twine. The paragraph was passed over at the request of the senior Senator from Utah [Mr. SMOOT].

Mr. WILLIAMS. In that paragraph, in line 6, the committee moves to strike out the word "six" and substitute "seven," and, after the word "hundred," to insert "and fifty."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 130, line 6, after the word "exceeding," it is proposed to strike out "six" and insert "seven," and after the word "hundred" it is proposed to insert the words "and fifty."

The amendment was agreed to.

Mr. SMOOT. That was the only reason I had for asking that the paragraph go over. I have no further objection to it.

Mr. WILLIAMS. It was suggested by the Senator from Minnesota [Mr. NELSON] that that would be enough.

Mr. SIMMONS. The Senator from Maine [Mr. JOHNSON] is in the Chamber now, and I suggest that the Senator from Utah might take up his amendment to paragraph 403½.

Mr. SMOOT. I will gladly refer back to paragraph 403½, which is found on page 124 of the bill.

I approve of taking alizarin from the dutiable list and placing it upon the free list, as provided in this paragraph, if it applies only to alizarin, natural or synthetic, and colors obtained from alizarin and anthracene. I will say to the Senator having this paragraph in charge that the present law does not include carbazol; and adding the words "carbazol" to this paragraph will take an unknown number of coal-tar dyes out of paragraph 21.

This question was brought to the attention of the Customs Court in the case of the Cassella Color Co. against The United States General Appraisers on May 20, 1912. The company undertook to import colors derived from carbazol under the free list, claiming that they also contained anthracene. The United States general appraisers decided that question, and stated that the product could not come in under the free paragraph, and that if it did it would affect such colors as hydron blue G, hydron blue F, and many of the other colors that are derived from carbazol.

As I understood from information that I have received, the committee simply wanted to restore the present law. If that is all, I would simply suggest to strike out the words "and carbazol" and insert the word "and" between "alizarin" and "anthracene," and to strike out the two commas, so that it would read:

Alizarin, natural or synthetic, and colors obtained from alizarin and anthracene.

That, Mr. President, would leave the law as it is to-day.

Mr. JOHNSON. Mr. President, the dyes which appear in this paragraph upon the free list were placed upon the free list because they are largely used in textile manufactures. Alizarin and dyes derived from anthracene are on the free list under the present law, and we have placed them upon the free list here. We have also placed upon the free list dyes derived from indigo, which appear in a later paragraph of the free list.

The bill as it came to the Senate from the House placed indigo on the free list and we also placed dyes derived from indigo there, because of the fact that they are largely used in textile manufactures. Having done that, we were then asked to place dyes that compete with the dyes derived from indigo, hydron blue, on the free list. Hydron blue is one of the dyes derived from carbazol, and it was impressed on the committee that having placed dyes derived from indigo on the free list, dyes derived from carbazol—that is, hydron blue—should also be placed on the free list. That is why we have added here carbazol.

Mr. SMOOT. If that is the reason why the Senator has inserted dyes derived from carbazol it seems to me that we ought to take all the items of paragraph 21 and put them on the free list, because that is exactly where the dyes derived from carbazol fall to-day.

Mr. JOHNSON. We did not do that because the dyes which are principally used in cotton and woolen manufacture are the dyes derived from indigo and from alizarins and anthracenes.

The manufacturers considered it a hardship to have their dyes at this time placed upon the dutiable list when such heavy cuts have been made in the duties upon their products. It seemed to the committee that these dyes which were so largely used by them should be kept upon the free list, and we were willing to add dyes derived or obtained from indigo and from carbazol. Nothing was said at that time about any of the other dyes. Since then the manufacturers of the other dyes and the importers who are interested in the other dyes have been busy, and I think through their influence and their instrumentality the manufacturers have been led to ask that all these other dyes should come in free.

There is of course an argument to be used in favor of having them all treated the same, but these were the principal dyes used by the cotton and woolen manufacturers as they understood it and the only ones they talked about. They wanted the dyes obtained from indigo, the dyes obtained from alizarin and from anthracene placed on the free list, and then it was suggested to them that they used hydron blue. Some of them did not know that they used it until it was suggested to them by an importer. That far we were willing to go.

Mr. SMOOT. Let me state to the Senator the facts in the case as I understand them. I have no doubt the Senator has stated the case exactly as it was told him. But under the present law indigoes and colors obtained from indigoes are on the free list, where they should be. Alizarin and anthracene to-day are upon the free list and the colors derived from them.

Now, all of the other coal-tar dyes or colors are provided for in paragraph 21 of this bill and they are in paragraph 29, I think, of the present law. Whoever told the Senator that alizarin and the colors derived from alizarin are the great bulk of coal-tar dyes used by the cotton and the woolen manufacturers of this country told him something that was not true.

Mr. JOHNSON. I did not make that statement. I said dyes derived from indigo, the dyes derived from alizarin, and the dyes derived from anthracene, those three.

Mr. SMOOT. I will take the Senator's own statement then, and say that whoever told the Senator that that was the truth said something that is not true. The bulk of the coal-tar dyes that are manufactured by the great concerns in Germany are not alizarin. All the fine colors and delicate shades and also the blacks and the common browns are classed as coal-tar dyes. Alizarin was discovered not many years ago and it takes the place of indigo. It is a cheaper process of dyeing with alizarin than it is with indigo. The armies of the world, I believe, who years ago specifically required indigo dyes, now accept the alizarin dyes, and I believe myself that they are a great deal better than and as fast as the indigo dyes.

Mr. JOHNSON. Will the Senator permit me?

Mr. SMOOT. Yes.

Mr. JOHNSON. Is it not true that under the present law the dyes derived from alizarin and from anthracene are upon the free list?

Mr. SMOOT. That is what I said at the beginning.

Mr. JOHNSON. And they have been carried there for some years.

Mr. SMOOT. And I should like to have them stay there now.

I want to say to the Senator that the words "and carbazol" used in this paragraph will affect only one importing concern in this country—the Cassella Color Co. That company brought the suit before the customs court and they are the ones who first imported hydron blue G and hydron blue R; and they tried to enter them as colors derived from anthracene. The general appraisers at the port of New York said they were not colors derived from anthracene. We now find that company has influence enough to have the words "and carbazol" added to the paragraph.

Of course, there are colors derived from carbazol. The Cassella Co. is the one concern that will be benefited with those words added.

I am only asking for the woolen industry and for the cotton industry that they be treated just the same as the present law treats them. I have not had a single one of them ask me or even request in any way that the colors derived from carbazol be put upon the free list. They should not be unless all the colors in paragraph 21 are put upon the free list. That is the consistent position.

By the way, I want to say that one of the parties, if I am to take his word for it, who was responsible for having carbazol added to the free list called me out of the Chamber a day or two ago and asked me what objection I had to the paragraph. I told him that I had an objection which applied to the colors derived from carbazol. He said, "Is that all the objection you have?" I answered him, "Yes." He then said, "We do not particularly care; we would just as leave let it go out as stay in."

Mr. President, all I want is to leave the paragraph just as it is to-day, and not extend it to the colors derived from carbazol, because I do not know what effect it is going to have upon paragraph 21, where the coal-tar dyes are provided for. I know the Senator from Maine must say, to be consistent, that the colors derived from carbazol have no more right to be on the free list than the general line of coal-tar dyes as provided in paragraph 21.

Mr. JOHNSON. Mr. President, I will say in answer to the suggestion made by the Senator from Utah, that to be entirely consistent all the colors described in paragraph 21 should be treated exactly alike, alizarin and anthracene and the dyes derived from indigo should all be treated alike, but particularly the colors derived from alizarin and from anthracene. They never have been so treated in the present law; they have been on the free list.

Mr. SMOOT. Where they ought to be.

Mr. JOHNSON. There is no more reason why dyes derived from alizarin and anthracene should be on the free list than those derived from carbazol or some other color should be on the free list.

Mr. SMOOT. There are a good many reasons, in my opinion.

Mr. JOHNSON. No reason occurred to me. When it was suggested, we had, I remember, before our subcommittee cotton manufacturers and the men interested in the dyes, and we were urged to leave the duty upon them as the House had left the

duty upon them. The cotton manufacturers knew very little about any other colors except the dyes derived from indigo, alizarin, and anthracene. When they were there one man interested in importing dyes suggested that they used hydron blue and indanthrene, a dye derived from anthracene, and suggested that they were using that. They did not know they were using it. When it was suggested to us we said, "Of course we will treat it the same as the others," and we went that far in taking in these staple dyes in general use in the textile mills of the country, and some of which have been used for a long time.

It seemed to us a hardship at this particular time when the duties were being largely decreased upon their products to take the dyes which they use and put a duty upon them. We desired to be consistent. There has not been consistency in treating these dyes until the present time. Not even under the present bill is there consistency. Otherwise alizarin and anthracene and dyes derived from indigo would all be dutiable instead of being on the free list. But we followed the custom as we found it of putting these dyes upon the free list, and we added carbazol for the reason suggested, particularly to reach the one color known as hydron blue.

Mr. SMOOT. Of course, it will reach hydron blue. That is imported by the Cassella Color Co.

Mr. JOHNSON. That is the first intimation I have had as to who imports it, and I do not care who imports it; it makes no particular difference to me. Here were the manufacturers before us contending that the dyes which were now upon the free list should be left free. A dye was suggested which they did not know they were using, and when they were convinced it was largely used by them we added that. We had no knowledge of the Cassella Co., and I think nobody connected with that company was there. I never knew until this moment who was interested in that dye.

Mr. SMOOT. Then certainly the Senator has not looked up the question of the case of the Cassella Co. brought against the appraisers at New York.

Mr. JOHNSON. I have not looked at that. It is the first time I have heard suggested the ownership of it or who was interested in it.

Mr. SMOOT. There is not a user of hydron blue R in the United States who does not know that it has been dutiable under the coal-tar paragraph. The Senator knows that the rate of duty on coal-tar dyes is maintained at 30 per cent, the same as the present law. There is no change in those colors at all. If they were looking out for the manufacturers' interest they certainly would have changed that paragraph.

Mr. JOHNSON. They never asked anything further. When the case was first taken up the manufacturers alluded only to alizarin and anthracene and the dyes derived from indigo. There was never any mention of any other dyes.

Mr. SMOOT. Certainly, because——

Mr. JOHNSON. I had many letters from them.

Mr. SMOOT. It was because those items were on the free list under the present law.

Mr. JOHNSON. They asked us to keep them there, and when it was suggested that there was one other dye, indanthrene, derived from anthracene, we put that on the free list.

Mr. SMOOT. I understand, then, the Senator will not accept the suggestion to strike out carbazol.

Mr. JOHNSON. I see no reason to do it.

Mr. SMOOT. Then I move, in line 20, on page 124, that the words "and carbazol" be stricken out.

Mr. HUGHES. Mr. President, I find this to be one of the most confusing subjects I have been called upon to deal with in any way in connection with the bill, and I think something should be stated with reference to the apparent inconsistency in this legislation. It is an inconsistency, it is true, but it is based upon a former inconsistency, and it shows how difficult it is to get rid of a bad legislative practice when it has once been entered upon.

We hear about alizarin, anthracene, and indanthrene, and the dyes derived therefrom being placed on the free list. They are upon the free list now. But do not let anyone think that they were put on the free list at the behest or for the benefit of American manufacturers. They were put upon the free list for the exclusive benefit of a German chemical house. They were patented processes when they were put on the free list, and they escaped the payment of duties into the Treasury of the United States. They are coming into competition with dyes paying duties at the rate of 30 per cent, and they used that 30 per cent which they escaped as a means of beating their competitors in this country and corrupting the employees of the houses to which they sold dyes. There are two suits pending now against this very concern, brought by manufacturers, charging them with being in a conspiracy in restraint of trade and with being guilty of a common-law conspiracy in going to their employees and using the opportunity they were given by the free entry they had in this market, escaping the payment of these duties into the Treasury, to make special inducements to the employees of the men with whom they were competitors and to whom they were selling in order to get them to supply the goods.

I come from a textile city where great quantities of these dyes are purchased every year, and it is common knowledge that the buyers are granted perquisites if they buy this or that particular dye. The thing is a mess. It is hard to say to the manufacturer whose dyes have been on the free list, "We are cutting down the duties upon the cloth you manufacture, and we propose to put your dye, which heretofore was free, upon the dutiable list." These gentlemen were cunning enough to go from one end of the country to the other and stir up the manufacturers until a flood of communications and numbers of individuals descended upon the subcommittee to get us to leave at least upon the free list that which is found there.

My idea, and what the House practically did, was to put the same rate of duty upon all of them, and we taxed the articles that entered into their composition. In that way we would compel the gentlemen coming in here with proprietary articles the price of which was fixed, and which they had the means and machinery of disposing of at a fixed price regardless of its merits, to pay for the privilege of getting into this market. We have done the very best we could under the circumstances. We have left coal-tar dyes and colors at 30 per cent, where we found them. Some of the coal-tar dyes and derivatives of the various drugs we have been talking about were upon the free list, and we were compelled to leave them there.

Mr. SMOOT. I wish to say to the Senator that it was unfair on his part to try to saddle the question of paying commissions to the dyers in this country upon the manufacture of alizarin, because if the Senator knows anything about the facts he knows that the same practice is indulged in by many of the dyers demanding commissions not only of America but of every country, if reports are true.

Mr. HUGHES. I know the foreign manufacturer would escape the duty of 30 per cent while the domestic competitor would be compelled to pay it.

Mr. SMOOT. All the Senator is trying to do is to add one more item with its derivatives. They want to add carbazol and colors derived therefrom.

Mr. WILLIAMS. That gives the rival——

Mr. SMOOT. Not in the least. It is entirely a different product.

Mr. HUGHES. It is a different product and not a patented article.

Mr. SMOOT. It is a different product used entirely for a different color. It comes from an entirely different source. It only competes with the foreign manufacturer who has a patent upon all the derivatives of carbazol. If it can come in free of duty it is extending the very thing that the Senator is complaining of. Mr. President, I move to strike out the words "and carbazol," on page 124.

The VICE PRESIDENT. Does the Senator from Utah withdraw his former amendment?

Mr. SMOOT. I will first have the former amendment acted upon, and if it is defeated then I will offer the other amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 124, line 20, after the word "alizarin," insert "and"; and in the same line, after the word "anthracene," strike out the comma and the words "and carbazol."

Mr. SMOOT. That will cover the whole question.

The VICE PRESIDENT. Does the Senator desire to have it put as one amendment?

Mr. SMOOT. Yes; as one amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah to the amendment of the committee.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the committee.

Mr. JOHNSON. I wish to suggest an amendment to the committee amendment. In line 19 I move to strike out the word "colors" and to substitute in lieu thereof the word "dyes."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. WILLIAMS. During the temporary absence from the Chamber of the Senator from Massachusetts [Mr. WEEKS] we were asked to pass over paragraph 416 until his return, or,

rather, unanimous consent was given to recur to it when he did return.

Mr. WEEKS. I offer an amendment to that paragraph applying to cotton bagging.

The VICE PRESIDENT. The Senator from Massachusetts offers an amendment, which will be stated.

The SECRETARY. On page 129——

The VICE PRESIDENT. Will the Senator from Massachusetts state the paragraph in the dutiable list to which the amendment applies?

Mr. WEEKS. It will go in the paragraph from which it was taken when it was put on the free list.

Mr. SMOOT. That is paragraph 276.

Mr. WEEKS. The amendment will be paragraph 276½.

Mr. HUGHES. The Senator means to offer it as paragraph 276½?

Mr. WILLIAMS. The Senator from Massachusetts wishes to offer it as a separate paragraph.

The SECRETARY. The Senator from Massachusetts offers a new paragraph, to be numbered 276½, on page 83, to read as follows:

276½. Bagging for cotton gunny cloth and similar fabrics, suitable for covering cotton, composed of single yarns made of jute, jute butts, or hemp, not bleached, dyed, colored, stained, painted, or printed, not exceeding 16 threads to the square inch counting the warp and filling, and weighing not less than 15 ounces per square yard, ½ of 1 cent per square yard.

Mr. WEEKS. Mr. President, this article has been on the dutiable list since 1896, and it is the one product of this character which has been put on the free list in the pending bill. I do not say that that was done because it is used entirely in connection with the cotton industry, but it certainly lends color to the statement that it has for that reason been selected for such drastic treatment. While I can not anticipate that the majority will be willing to accept the amendment which I have offered, I want to submit a statement which I think justifies the offering of the amendment.

Jute yarns are left on the dutiable list, notwithstanding the fact that the product is put on the free list. Cotton bagging is used exclusively for covering the American cotton crop. The duty under the pending law is six-tenths of 1 cent per square yard, which is equivalent to about three-fourths of 1 cent per running yard. The amendment which I offer of one-half of 1 cent shows about the same reduction in cotton bagging as is made in jute yarns.

There is active competition with American manufacturers in this industry, coming largely from Dundee and Calcutta. The owners and operators of the Dundee factories to a large extent, at least, control the Calcutta industry, but in any case the importations show that there is active competition, and I give a table showing importations since 1903 under the present rate of duty which substantiates this statement.

This table includes the value of the imports, the duty cost, the average value per square yard, and the equivalent ad valorem duty:

Year.	Quantity in square yards.	Value.	Duty collected.	Average value per square yard.	Equivalent ad valorem duty.
					Per cent.
1903	5,417,039	$213,098	$32,502.24	$0.039	15.26
1904	7,801,672	261,235	46,810.02	.033	17.92
1905	9,603,487	391,730	57,620.91	.041	14.71
1906	12,309,136	663,843	73,854.80	.054	11.13
1907	19,817,860	1,215,446	118,907.12	.061	9.87
1908	16,349,696	1,076,353	98,098.16	.066	9.11
1909	8,012,434	413,208	48,079.63	.052	11.63
1910	16,505,542	699,940	99,033.28	.042	14.15
1911	13,365,349	623,099	80,192.11	.047	12.87
1912	5,778,731	363,751	34,672.38	.063	9.53
Average	11,496,094	592,170	68,977.06	.0515	11.65

The equivalent ad valorem duty average for this term of years (10 years) is 11.65 per cent, certainly not a high rate of duty on a product of that character.

The competition from Dundee is active; the wages paid there are only about one-half the average wage paid in this country, while the competition from Calcutta is becoming even more active than that from Dundee. For instance, the wages paid during the past 10 years average $7.16 per week for all classes of labor employed in this country in this industry. This year the average wage paid is $9.21 per week for all labor employed, an increase in the 10 years of nearly 30 per cent. In Calcutta the rate of wages average 8$\frac{4}{10}$ per cent of that paid in Massachusetts, which would be an average of about 76 cents per week. The manufacturer's comparative cost of a yard of 2-pound bagging in Massachusetts and Calcutta is as follows:

	Massachusetts.	Calcutta.
	Cents.	*Cents.*
Labor cost	1.118	0.191
Supplies and machinery renewal	.366	.297
Administration	.218	.209
Plant charges	.640	.538
Total cost	2.342	1.235
A difference in favor of Calcutta of		1.107
Total		2.342

showing a handicap against the local manufacturers of nine-tenths of a cent per square yard.

The present duty is but six-tenths of a cent per square yard, and that was the duty designed to protect American manufacturers when the rates of wages were at least 30 per cent less than now and when the hours of labor were materially longer than now. This is an industry where the question of oriental labor is of paramount importance. It is not necessary to point out the difference between European competition and oriental competition to show the whole standard of living, as well as the rates of pay, which shows such a marked difference in favor of this country that it seems reasonable to continue some moderate rate of duty to protect the employees engaged in this industry.

In 1909 the jute mills of India were capitalized for more than $50,000,000, which shows that it is not a small but a very important industry in Calcutta. They employed 250,000 people, and as the output is very largely used in cotton bagging it indicates the desirability of protecting our people against this kind of foreign competition.

To show the development of the Calcutta mills in recent years, I submit a list which demonstrates the increase in the number of looms employed. In other words, the competition is developing all the time at the expense of our industry. The list is as follows:

	Looms.
Jan. 1, 1890	7,964
Jan. 1, 1901	15,336
Jan. 1, 1902	16,640
Jan. 1, 1903	17,597
Jan. 1, 1904	19,901
Jan. 1, 1905	21,318
Jan. 1, 1906	23,884
Jan. 1, 1907	26,799
Jan. 1, 1908	29,074
Jan. 1, 1909	30,824
Jan. 1, 1910	31,755
Jan. 1, 1911	32,711
Jan. 1, 1912	32,632
Jan. 1, 1913	34,831

As will be seen from this table, in 1890 the number of looms employed in Calcutta was 7,964, while last year the number was 34,831. They have doubled in the last 10 years.

Calcutta is now the largest bagging manufacturing center in the world. There was recently introduced and adopted by the Senate a resolution directing the Secretary of Commerce to investigate the recent advance in the price of bagging. I have made some investigation of this question and am convinced that the present increase in price of bagging is due almost entirely to the increase in the cost of raw jute, which has advanced as follows:

	Cents per pound.
Aug. 1, 1909	3
Aug. 1, 1910	3¼
Aug. 1, 1911	4½
Aug. 1, 1912	5
Aug. 1, 1913	6½

This can not be due in any great degree to the operation of a trust or combination. The material comes entirely from India, and we are, as far as this industry is concerned, in the grip of that country, because they not only supply the raw material, but at the same time the larger part of the finished product, and they may be able to manipulate the price of raw material, so that they will absolutely destroy the local industries unless there is maintained some reasonable duty, and if the local industries were destroyed, then we would be in the hands of an industry from which the foreigner was getting all the benefit and on which he could make his own price.

There has been a considerable increase in the price of yarns and threads made from jute in recent years: In 1910 they sold on the basis of 6¼ cents; in 1911 at 7¼ cents; in 1912 at 8 cents; and in 1913 at 8¾ to 9½ cents, which means that there

has been an increase of 100 per cent in the price of long jute in the last four years and an increase of 50 per cent in the price of threads. During that period bagging averaging 2 pounds per yard has advanced from 6⅜ to 10½ cents.

The price of bagging is not only dependable somewhat on the price of raw material and the cost of labor, but is dependent somewhat on the amount of goods which may be carried over by the manufacturing concerns. For instance, if the raw material was very cheap the manufacturer might buy and manufacture much more than was required for the market that year, and it is the policy of the company, as I understand it is of American companies, to give the purchaser the benefit of the increase. The result is, less the cost of carrying over, including interest charges, the price might not for every year advance as rapidly as would otherwise be the case.

The price of jute cuttings has been since 1908 as follows:

	Cents per pound.
1908	2.30
1910	3.65
1911	3.15
1912	4
1913 (about the same as 1912).	

This is the raw material of the American manufacturer.

The Ludlow Manufacturing Co. produces about 20,000,000 yards of bagging a year, but its sales vary from 16,000,000 to 26,000,000 of yards, depending on the size of the cotton crop, which explains the statement I have just made that it is frequently desirable to carry over a surplus which is based on a lower price for the raw material. I give herewith the average prices for bagging during the period of 1900–1913, which show conclusively that the increase in cost has not been commensurate with either the cost of raw material or the advance in the cost of manufacture:

Bagging prices.	Cents.
1900	7⅜ to 8½
1901	6½ to 6⅝
1902	5⅜ to 6⅜
1903	5⅜ to 6 7/16
1904	6 7/16 to 7⅛
1905	7⅜ to 8½
1906	8⅜ to 9⅜
1907	9⅜ to 10½
1908	6⅞ to 8⅛
1909	6 to 6½
1910	7⅛ to 7 11/16
1911	8 to 8 7/16
1912	8½ to 8 11/16
1913	10½ to

It seems to me all of this indicates that the competition which the manufacturers in this country are getting is sufficient, so that there should be maintained a reasonable duty on this product. Certainly the competition which we are likely to have in the future, developing rapidly as is the Calcutta industry, suggests that, unless a reasonable duty is maintained, we are going to destroy the industry in this country, when we shall be at the mercy of oriental labor and the price placed by foreign manufacturers on this important product.

Mr. WILLIAMS. Mr. President, it took quite a time to make that statement, but it is the same old story. Here is an amendment, the object of which is to levy a tax upon the producers of from ten to fifteen million bales of cotton, using from ninety to one hundred and five millions of yards of cotton bagging, for the benefit of a baker's dozen of cotton manufacturers somewhere in the United States.

Mr. WEEKS. Will the Senator yield at that point in his statement? I have been unable to understand why this amendment will place a tax on the producer of cotton who buys his cotton bagging and turns around and sells it with his cotton to the manufacturer.

Mr. WILLIAMS. Simply because he does nothing of the sort. Every bale of cotton that reaches the market at Liverpool has deducted from it a tare, so many pounds out of the price of the cotton, a tare for the bagging and ties, and the American price is based upon the Liverpool price with a discount of that tare. That tare is 6 pounds to the bale.

Mr. WEEKS. It is 6 per cent.

Mr. LIPPITT. Six per cent.

Mr. BACON. It is 30 pounds.

Mr. WILLIAMS. Six per cent; 30 pounds on the bagging and ties.

One other thing the Senator from Massachusetts said. He said we singled out this wrapping and put it upon the free list because it was the cotton producers' wrapping. We put upon the free list also burlaps, a very much more expensive thing, so that the wheat raiser might have free material for his wheat sacks and so that the wool producer might have free cloth for his wool.

Mr. BACON. In order to be absolutely accurate——

Mr. WILLIAMS. One moment. The audacity of claiming that when we put an article on the free list for the producers of 15,000,000 bales of cotton we are favoring a special industry, when the amendment is to give a special privilege to a baker's dozen of American manufacturers, where all the employers and all the employees put together probably would not reach a thousand in the entire United States! We are taking a special privilege for the cotton planters in the South because, forsooth, we leave things where God left them, but it is not a privilege for a baker's dozen of New England and other manufacturers to propose to put a tax on an article for the express purpose of bolstering up the price, so that the manufacturer may sell at a higher price an article which it is confessed, or which it is argued, at any rate, he could not produce upon a fair basis unpropped by law.

Mr. LODGE. May I ask the Senator a question? Is not the Senator mistaken in saying that burlaps are on the free list?

Mr. WILLIAMS. I am not. The sort of burlaps of which I speak here are in the same paragraph:

> Plain woven fabrics of single jute yarns by whatever name known, not bleached, dyed, colored, stained, printed, or rendered noninflammable by any process.

That is the definition of burlaps. Bleached, printed, and painted burlaps are upon the dutiable list.

Mr. BACON. Mr. President, what I wished to say, in order to be absolutely accurate in regard to the tare was that it is 6 per cent, so that on a standard bale of cotton of 500 pounds it would be 30 pounds.

Mr. WILLIAMS. I inadvertently said "6 pounds," when I ought to have said "6 per cent." That is the Liverpool tare.

Mr. LODGE. Then what does paragraph 290 mean? It reads:

> Bags or sacks made from plain woven fabrics, of single jute yarns, not dyed, colored, stained, painted, printed, or bleached, 10 per cent ad valorem.

Mr. WILLIAMS. Those are the bags or sacks; that is the differential between the cloth, which is put upon the free list, and the material after it is sewed up into bags or sacks.

Mr. LODGE. That is the bag after it is made?

Mr. WILLIAMS. It is the bag after it is made.

Mr. LODGE. That is left on the dutiable list?

Mr. WILLIAMS. After the bag is made it is on the dutiable list.

Mr. LODGE. But the wheat is not put in the burlap in the cloth, in the running yard?

Mr. WILLIAMS. The only difference is that the cotton is sacked after it is pressed and that the sack for the wheat is made before the wheat is put into it.

Mr. LODGE. Certainly.

Mr. WILLIAMS. In other words, the sack is spread around the cotton; it is made after the cotton is pressed, by being put around it and the cotton ties put on it. We treat them both exactly in the same way; we give them both the cloth free, but we do not furnish the southern planter with somebody to sew his bagging around his cotton, nor do we furnish the southern and western farmer with somebody to sew up his sacks.

Mr. LODGE. Exactly. The western farmer does not use the plain cloth; he uses a bag.

Mr. WILLIAMS. He uses plain cloth after it is made into sacks.

Mr. LODGE. Yes; after it is made into a sack; exactly.

Mr. WILLIAMS. We do not use plain cloth, either, but we put the ties around the cotton bale and fasten it.

Mr. LODGE. But the net result is that the article that the farmer uses bears a duty of 10 per cent.

Mr. WILLIAMS. It does not.

Mr. LODGE. It certainly does, because he uses the bag.

Mr. WILLIAMS. The western farmer can do just what we do.

Mr. LODGE. He does not put wheat in the running yard of cloth; he puts it into a bag.

Mr. WILLIAMS. He can do just what we do; he can sew his own bags and sacks, in my opinion, if he wants to. We have treated both exactly alike, but that has nothing to do with the question now before the Senate. The proposition is brazenly, undisguisedly, audaciously to tax the producers of from ten to fifteen million bales of cotton for the benefit of a little bit of a handful of people who are engaged in a propped-up industry that never could have existed except for law.

Mr. LODGE. On the matter of bags made of burlap I wish to say that under the present law the bag makers get 5 per cent additional, as I understand.

Mr. WILLIAMS. The bag makers get a differential of 5 per cent. Is that what the Senator means?

Mr. LODGE. They did get a differential of 5 per cent, and now they get 10 per cent.

Mr. WILLIAMS. They get, under the present law, a differential of 5 per cent, and under this proposed law a differential of 10 per cent.

Mr. LODGE. Precisely; that is, the man who makes the bags for the wheat gets a differential of 10 per cent?

Mr. WILLIAMS. Yes; and that was a concession to a much-mouthed Republican allegation, which is, that whenever labor is required there ought to be a little differential in favor of labor. "American labor, don't you understand, should be protected against the pauper labor of the world everywhere." The Senator is familiar with that argument. If there is any weakness about this at all it is in having yielded to that Republican argument.

Mr. LODGE. I am as familiar with that argument as I am with the Senator's argument. I am familiar with both of those arguments.

Mr. WEEKS. Mr. President, the statement I made was that the southern planter bought his cotton bagging and resold it with his cotton to the mills at the same price for which the cotton was sold. That is the stateemnt I made which the Senator from Mississippi [Mr. WILLIAMS] disputed. Now, I want to substantiate that statement, and I will do so, not only by the rules of the Cotton Buying Association of New Engand, but from letters which have been written me referring to the same subject. For instance, here is a letter from Albert H. Chamberlain, treasurer of the Arlington Mills, in which he says:

In purchasing domestic cotton, except sea-island cotton, we pay for ties and bagging on the same basis as for cotton, unless the weight of the ties and bagging exceeds 24 pounds.

In the case of sea-island cotton, we pay for the cotton and bagging at the same price, unless the bagging exceeds 12 pounds in weight.

The difference between the 24 pounds and the 12 pounds is due to the fact that sea-island cotton is wrapped only in bagging, whereas other domestic cotton is not only wrapped in bagging but bound with iron hoops or ties.

We customarily pay for cotton on sight draft against bill of lading, and necessarily have to pay on the basis of invoice weights, subject to our right to make later claim for repayment for tare in excess of the above amounts.

Egyptian cotton is purchased on a net-weight basis, so that we pay only for the actual weight of cotton.

I find in the Revised New England Terms for Buying and Selling American Cotton, which I understand applies to all manufacturers, this statement:

48. The allowance for tare shall be an average of 24 pounds per bale. The purchaser shall be reimbursed for all tare in excess of this average at the invoice value, less one-half cent per pound.

Then, it goes on to state——

Mr. WILLIAMS. Is the Senator reading the New England tare upon Egyptian cotton?

Mr. WEEKS. I am reading, now, not the rules governing tare on Egyptian cotton but on domestic cotton. In other words, the cotton mill pays for 24 pounds of bagging in every bale of cotton it buys, at the same price it pays for the cotton itself.

Mr. WILLIAMS. Now, Mr. President, I want to make this perfectly plain. Cotton has its ultimate value fixed in Liverpool, because the great majority of it is exported. There is no ostensible tare in Memphis or New Orleans or in the mills in New York or in New England at all; but the price of the American cotton is fixed by the price for which that cotton is sold at Liverpool. When that cotton gets to Liverpool 6 per cent of the weight is deducted after each bale is weighed. That 6 per cent amounts to 30 pounds in a bale of 500 pounds. That 30 pounds is not paid for, but is deducted from the weight. That 30 pounds in a bale being deducted from the weight, at the present price of cotton, which is 12 cents a pound in Liverpool, would be $3.60 per bale. That is a plain calculation. That $3.60 per bale is thus deducted from the price of every bale of cotton that the South ships to Liverpool, and as the competition for the cotton fixes the price of the cotton, and as the main bulk of the cotton is shipped abroad, and as the Liverpool tare prevails in all the other European ports, of course the American purchaser of cotton is not going to pay a price any higher than that at which it is sold in Liverpool. Therefore the tare comes off here, although it is not ostensibly given. When I sell a bale of cotton in Liverpool the tare is deducted in so many words, but when I sell it in Fall River it is allowed for, because I sell it there in competition with Liverpool.

Mr. LIPPITT. Mr. President, if the Senator will yield to me for a moment, he says that when he sells a bale of cotton in Liverpool the tare is taken off that bale of cotton. I want to ask him if what happens is not that, in the first place, the planter has been paid at the price of his cotton for every pound of bagging and for every pound of hoop iron that is on that bale, provided the combined weight of those two is not in execss of 24 pounds, and when that cotton is sold to a New England mill that the bagging is weighed the same as the cotton is weighed, and that the hoop iron is weighed the same as the cotton is weighed, and it is paid for at the same price as is the cotton? Whether the entire purchase is not based upon the combined weight of the cotton and the bagging and tie? So that when a 500-pound bale of cotton and bagging is delivered to a New England mill or to a southern mill, what that mill receives is approximately 475 pounds of cotton and 25 pounds of other material. The cotton is put through the mill in the process of manufacturing cloth, and the refuse matter of bagging is sold for in the neighborhood of a cent a pound, with a loss to the mill of anywhere from 12 to 20 cents a pound over what they paid for it, and the iron on that cotton is sold for about half a cent a pound, with also a loss of anywhere from 12 to 20 cents a pound. That is what happens when that cotton is delivered and sold to the New England mill.

Now, what happens when it is sold abroad? The foreign manufacturer will not submit to this oppression of paying for bagging and hoop iron at the same price as he pays for cotton. Therefore, when the factor, who buys the cotton from the planter and has paid the planter for the hoop iron and for the bagging, is obliged to sell that cotton to Liverpool, knowing the custom there, he adds to the price he would sell to a New England mill about 6 per cent. When the cotton goes over to Liverpool it goes at that increased value of about 6 per cent, and in consideration of that the Liverpool manufacturer is allowed a claim that compensates him. That is what happens.

Mr. WILLIAMS. Did the Senator rise to ask me a question or to make a speech? He has made a number of speeches upon this subject.

Mr. LIPPITT. I beg the Senator's pardon. I never have made a speech on this subject before.

Mr. WILLIAMS. Cotton is the Senator's specialty clear through.

Mr. LIPPITT. I will take the liberty of completing my remarks when the Senator has finished.

Mr. WILLIAMS. Very well. Mr. President, the truth is that although there is not ostensibly any tare in New York or Fall River or New Orleans or Memphis, when I sell my cotton there is in the market a buyer representing Liverpool and another buyer representing the Fall River mills. The buyer representing the Fall River mills knows as well as the Senator from Rhode Island knows that when that cotton gets to Liverpool there is going to be a deduction of 30 pounds on the 500-pound bale for tare, which, at 12 cents a pound, would amount to $3.60. He therefore regulates his bid in competition with the Liverpool buyer by his knowledge of that fact. As a consequence, the American buyer, without putting ostensibly any tare upon the cotton, pays a price for the cotton just that much less than he otherwise would pay—in the case I have supposed, $3.60 a bale less. He would be a monumental idiot if he did otherwise. Would they establish an agreement between them that the New Orleans and Memphis and Savannah cotton buyers representing Liverpool would always pay $3.60 a bale less for cotton than the buyer representing Fall River would pay? They both pay the same price in both cases; and one of the factors that enters into the calculation of what the price shall be is the fact that $3.60 is deducted at Liverpool.

It seems rather curious that there is an awful effort being made here to try to make it appear that there is something sectional in this bill. I hear none of you complain that when a man sells his wheat in these burlaps, which are heavier, or sells his wool in burlaps, which are still heavier, he gets paid for his sack in the one case and for his wool bag in the other; and yet in that case, if I am correctly informed, there is no tare at all allowed anywhere. He gets paid at the rate of 90 cents a bushel or $1 a bushel for his wheat; the wheat weighs 60 pounds; and he gets paid at that same rate for his sack and he gets paid at the same rate for the burlap around his wool, and you do not hear the slightest complaint about that; but when there is a tax which grinds down upon the producer of southern cotton, which grinds down ultimately, of course, more upon the wards of the Nation and the special pets of the Republican Party, the southern darky, who makes nearly half of all the cotton made in this country, nobody is heard to make a complaint.

The truth is there ought never to have been a tax upon cotton bagging; there ought never to have been a tax upon grain sacking; there ought never to have been a tax upon wool bagging. You have gone to work and you have tried to prop up here, as you confess, an industry which, as you allege, can not exist except for this tax; and I suppose, as I said a moment ago,

that not a thousand men in the United States are interested in it, counting employers and employees, both put together.

If the other side wants to vote against giving the southern planter, the southern farmer, and the southern farm laborer free cloth out of which to make the bagging around his product, and then turn right around and put burlap bags for wool and sacks for wheat upon the free list at the same time, then let those of you who have been growling for about three weeks about our discriminating against the farmer go west and explain it.

Mr. LODGE. Mr. President, I know, of course, it is entirely useless to expect to make any change in this provision, for there is none in the bill so hopeless of alteration as this one. It is done on the theory that it will lower the price of cotton bagging to the southern cotton planter. I myself believe the abolition of American competition will lead to their paying more than they do now, because I do not believe that the Dundee and the Calcutta bagging factories, which are all substantially in one control, are philanthropic institutions. I think they will take from their purchasers "all that the traffic will bear." I shall not argue the question any further, but I ask to have printed in the RECORD a letter giving some facts in regard to the matter.

The VICE PRESIDENT. In the absence of objection, permission is granted.

The letter referred to is as follows:

LUDLOW MANUFACTURING ASSOCIATES,
Boston, Mass., April 10, 1913.

Hon. HENRY CABOT LODGE,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In the address of the President to the Congress on April 8 occurs the following which may be regarded as the key to the situation as he perceives it:

"DUTIES MERELY FOR REVENUE.

"The object of the tariff duties henceforth laid must be effective competition, the whetting of American wits by contest with the wits of the rest of the world.

"It would be unwise to move toward this end headlong, with reckless haste, or with strokes that cut at the very roots of what has grown up amongst us by long process and at our own invitation. It does not alter a thing to upset it and break it and deprive it of a chance to change. It destroys it.

"WE MUST BUILD UP TRADE, ESPECIALLY FOREIGN TRADE.

"In dealing with the tariff the method by which this may be done will be a matter of judgment exercised item by item."

In connection with this your attention is respectfully called to the following:

JUTE BAGGING FOR COVERING COTTON.

This bagging is used exclusively for covering the American cotton crop. It is made from free raw material, and is dutiable under Schedule J, paragraph 355, of the present tariff law, as follows:

"Bagging for cotton, gunny cloth, and similar fabrics, suitable for covering cotton, composed of single yarns made of jute, jute butts, or hemp, not bleached, dyed, colored, stained, painted, or printed, not exceeding 16 threads to the square inch, counting the warp and filling, and weighing not less than 15 ounces per square yard, six-tenths of 1 cent per square yard."

As nearly all bagging used for covering cotton is made 45 inches in width, the above duty is equivalent to three-quarters of 1 cent per running yard.

We give below a table compiled from the United States Treasury statistics showing for the years 1903–1912 the amount of bagging imported, the value, duties paid, price per running yard, and the equivalent ad valorem rate of duty assessed:

Importations of bagging under duty of 0.6 cent per square yard, 1903–1912.

Year.	Quantity in square yards.	Value.	Duty collected.	Average value per square yard.	Equivalent ad valorem duty.
					Per cent.
1903	5,417,039	$213,098.00	$32,502.24	$0.039	15.26
1904	7,801,672	261,235.00	46,810.02	.033	17.92
1905	9,603,487	391,730.00	57,620.91	.041	14.71
1906	12,309,136	663,843.00	73,854.80	.054	11.13
1907	19,817,860	1,215,446.00	118,907.12	.061	9.87
1908	16,349,696	1,076,353.00	98,098.16	.066	9.11
1909	8,012,434	413,208.00	48,079.63	.052	11.63
1910	16,505,542	699,940.00	99,033.28	.042	14.15
1911	13,365,349	623,099.00	80,192.11	.047	12.87
1912	5,778,731	363,751.00	34,672.38	.063	9.53
Average	11,496,094	592,170.00	68,977.06	.0515	11.65

This industry has been gradually developed at an enormous expense, has paid the Government a duty of 45 per cent on its machinery (reduced to 30 per cent by the present tariff, enacted since the mills were filled with machinery imported at the higher rate), and is prepared to protect the planter by furnishing him quickly his entire wants during the limited season of his requirements.

The destruction of this industry by putting the foreign product on the free list, as is done by the Underwood bill, would remove all "effective competition."

It would not promote commerce, as there is no foreign demand for this product, and the machinery would not be available for other manufacturing purposes.

The foreign control of the American market, without any return of revenue to the Federal Government, would be the result, and as burlaps, or light jute cloth, has been increased about 70 per cent in price during 1912 by the foreign mills, having no American competition, the same result may reasonably be anticipated in bagging, which in the same period advanced less than 9 per cent.

We do not believe it is the duty of our Congress to put a premium on inefficiency and incompetency or that the rate of duty should be high enough to protect the same, but that only such a measure of duty as will enable a mill equipped with the latest and best machinery, and managed with the greatest skill, to continue as an American industry.

The United States receives Europeans of all nations, but Asiatics and Indians, such as are here pictured, it bars out.

If the competition of the Asiatic laborer is so feared that he is forbidden entrance to the United States, is it unreasonable for the manufacturers of the United States to ask for protection against the importation of goods manufactured by him?

Very respectfully,

LUDLOW MANUF. ASSOCIATES,
CRAMMOND N. WALLACE, *President.*

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Massachusetts.

Mr. LIPPITT. Mr. President, I merely want to add a word to what I was saying when the Senator from Mississippi [Mr. WILLIAMS] very properly interrupted me with the remark that I was speaking in his time.

There can be no dispute about what happens in connection with this cotton-bagging matter. The facts are undeniable that for every bale of cotton that is grown the planter receives a sum equivalent to the combined weight of the cotton, the bagging, and the hoop iron. Nobody has ever denied that, and the Senator from Mississippi will not deny that.

Mr. WILLIAMS. I do deny it absolutely. The Senator says that the planter receives it. If the planter receives it, then he receives it without a deduction from the price to account for it; and I say there is a deduction from the price to account for it.

Mr. LIPPITT. I will say to the Senator from Mississippi that, if he will understand my statement, I do not believe he will deny it. I say to the Senator from Mississippi, when the planter—the grower of cotton—takes that cotton into his local market to sell it to a factor, that that bale of cotton is put upon the scales, including the bagging, including the hoop iron, and including the cotton, and the weight for which he is paid is the combined weight of those three articles.

Mr. WILLIAMS. There is no doubt about that; the weight of the bale is the weight of the three combined.

Mr. LIPPITT. That is what I said, and I knew the Senator from Mississippi would not deny it.

The whole of the Senator's argument is that, although the planter is paid for all those three articles, by some hocus-pocus in the markets of the world he only receives for those three articles what he would receive for the cotton alone if only the cotton were weighed. Mr. President, whether that is true or not I do not know; but what I do know is that there is a great disinclination on the part of purchasers generally to pay for the package in which an article is contained the same price that they pay for the article itself. I know that when one enters a grocery store to buy a pound of sugar, if the sugar is put up in a box and the grocer attempts to weigh the box and the sugar together and make the customer pay for a proportion of a pound of sugar the same price he would pay for an entire pound, the customer does not like it.

I know that when we come to the other end of the transaction, and this cotton that the New England or southern manufacturer has bought at the combined weight of cotton and bagging is turned into cloth and that cloth is wrapped up in bagging exactly the same as cotton is wrapped up in bagging—when that cotton is returned to the South in the form of cloth no southern merchant will permit the mill to weigh into the weight of that bale the burlap in which it is contained, or will pay for the burlap at the price of the cloth, on the assumption that he would have to pay for the cloth the same price that he would pay for the combined weight if he paid for only one.

In one case, when the cotton comes to the mill, the combined weight of both is charged for. When it is returned to the South in the form of cloth, only the cloth is allowed to be charged for.

The whole of this mystery lies in the assumption that is made upon the part of the planter in the South that in case he were not allowed to weigh both materials he would have to charge just that much more for his cotton. Whether that is the case or not no living man can possibly tell. The price of cotton, like the price of every other product, is determined by the demand and the supply. It is not determined by the Liverpool market for cotton. The Liverpool market is merely one of the thermometers that register the price of cotton. The New York Cotton Exchange is another thermometer that measures the price of cotton for this country. The New Orleans and Memphis

exchanges are other thermometers. But what makes those thermometers go up and down is not the demand of Liverpool nor the demand of America; it is the combined demand of the entire world in its relation to the combined supply of the entire world.

No man's mind has ever yet been found clear enough and accurate enough to discover whether that thermometer would go up or down on account of some variation in the tare upon the cotton. The fact remains that when a man raises cotton that is worth 12 cents a pound, he gets 12 cents a pound for the bagging that incloses the cotton; when he raises cotton that is worth 20 cents a pound, as many of the planters do in the State which the Senator from Mississippi so ably represents, he gets 20 cents a pound for the bagging; and he gets the 12 cents or the 20 cents, as the case may be, for bagging and for hoop iron that cost him identically the same price in each case.

I think that is the situation, as I understand it.

Mr. WILLIAMS. Mr. President, I am astonished, then, that the Senator, who has been so long engaged in the business, does not understand it. He speaks of a "hocus pocus" and an "assumption." Here is the plain physical fact: When a bale of cotton goes to the market in Liverpool it is weighed with the bagging and the ties both upon it, and then 6 per cent of its weight is deducted from it before it is paid for.

Mr. LIPPITT. I have acknowledged that.

Mr. WILLIAMS. That is not a "hocus pocus"; that is not an "assumption." That is a physical fact, and that is not trusting to the market to bring a price for the cotton——

Mr. LIPPITT. May I ask the Senator one question?

Mr. WILLIAMS. Yes.

Mr. LIPPITT. Is it not true that that cotton in the Liverpool market is paid for at a price that is 6 per cent higher than the price that would have been charged for that cotton if it had been sold to a New England buyer?

Mr. WILLIAMS. No; exactly the opposite is the truth. The truth is that cotton is paid for in America at a little over 6 per cent less than it brings in Liverpool; and one of the reasons for it is because the American buyer is competing with Liverpool in buying the cotton.

The Senator from Rhode Island can not teach me any fundamental elementary principles of political economy. When the Senator undertakes to put me in the attitude of having said that Liverpool alone fixes the price of cotton he is making an assumption. I say, however, that the controlling factor in fixing the price of cotton is Liverpool, because it is the greatest market for cotton in the world.

There is the physical fact. I sell 100 bales of cotton to-day to Fall River. I sell another hundred bales of cotton to-day to be delivered in Liverpool. I sell each of those 100 bales at exactly the same price per pound. When my cotton gets to Liverpool they physically deduct this 6 per cent. Upon a 500-pound bale that is 30 pounds. Now, the Senator says that I get paid at the rate of 10 cents per pound for the bagging and ties in the first instance if that is the price agreed upon, and 20 cents per pound if the cotton is worth 20 cents.

Mr. LIPPITT. Mr. President——

Mr. WILLIAMS. Wait one moment. He forgets that when the tare of 6 per cent is calculated, if it is 10-cent cotton I have $3 deducted from what I would have received, and if it is 20-cent cotton I have $6 deducted from what I would have received, because the tare, the deduction, is a percentage of weight; that weight is multiplied by the price of the cotton, and that is the way in which bagging and ties are allowed for.

If the Senator were to sell a bag of cloth or something put up in a box with an agreement that so many pounds should be deducted for the weight of the covering or the weight of the box he would not be receiving pay for the covering or for the box. When we sell this cotton with an agreed tare of 6 per cent we are not receiving pay for the number of pounds that the tare comes to at the price at which the total was calculated. Of course you can not weigh the cotton separately from the bagging and ties unless you stop to take off the bagging and ties. Hence, for generations it has been agreed at Liverpool that a certain percentage of tare should be allowed.

Mr. LIPPITT. What is that percentage?

Mr. WILLIAMS. Six per cent. In a 500-pound bale there is 30 pounds deducted.

Mr. LIPPITT. Now, just let me ask the Senator a question.

Mr. WILLIAMS. There is one more thing——

Mr. LIPPITT. If the Senator will let me ask him one more question I will not interrupt him again.

Mr. WILLIAMS. I hope the Senator will let me finish this sentence, because I want to complete the statement. There is one more thing done. At one time some cotton shippers or exporters, whether planters or not—there being dishonest men among them, like all others—tried to increase the amount of bagging and the amount of ties so that the tare would not cover it. An arrangement was then made that whenever there were more than 6 ties and more than a certain number of yards of bagging extra tare was to be charged.

I now yield to the Senator.

Mr. LIPPITT. The Senator very rightly says that there is a 6 per cent allowance for tare when cotton is sold to Liverpool. If cotton is worth 10 cents a pound, 6 per cent would be——

Mr. WILLIAMS. Three dollars.

Mr. LIPPITT. It would be 10.6 cents per pound. I think that is correct, is it not? Figured on the price of the pound, if 6 per cent is added for the tare, where the cotton is worth 10 cents per pound without it the price would be 10 cents plus 6 per cent of 10 cents, which is sixty one-hundredths, or a total of 10.6 cents per pound.

Mr. WILLIAMS. The Senator means if the cotton were sold without the burlap or ties it would be 10.6 cents per pound.

Mr. LIPPITT. I simply mean, so far, that 6 per cent of 10 cents is six-tenths of a cent.

Mr. WILLIAMS. That is absolutely true; yes.

Mr. LIPPITT. Yes. Now, then, if that cotton were charged to a New England mill at 10 cents a pound by a factor in Memphis, it would be charged to the Liverpool mill at 10.6 cents per pound. Is not that correct?

Mr. WILLIAMS. I do not think so.

Mr. LIPPITT. I so understand it. The Senator has himself said that there is an amount added to the price to compensate for the tare.

Mr. WILLIAMS. There is an amount deducted from the price.

Mr. LIPPITT. I understand that every merchant, every factor in Memphis who has a bale of cotton that he has bought, if he sells that bale to a New England cotton mill at 10 cents a pound, would charge the same bale to a Liverpool buyer at 10.6 cents a pound. The reason he would charge it to the latter at 10.6 cents a pound is simply because he is going to allow the Liverpool merchant a tare that is equivalent to the difference between the price he is charging to the two places. That is the way this business is carried on.

Mr. WILLIAMS. If that is the way the business is carried on, it is absolutely news to me. I know that I sell my cotton to men who are buying for Liverpool, and I sell to men who are buying for Fall River.

Mr. LIPPITT. And the Senator gets identically the same price.

Mr. WILLIAMS. And they give me identically the same price.

Mr. LIPPITT. Exactly.

Mr. WILLIAMS. So the statement that the cotton producer gets the difference is not true.

Mr. LIPPITT. And the Senator is paid for both the cotton and the bagging.

Mr. WILLIAMS. The Senator from Rhode Island promised me that if I would let him ask me a question he would not interrupt me again. So the statement that the cotton producer receives payment for his bagging and ties is not true. According to the Senator's own statement, he says that after the buyer has bought the cotton from me he adds six-tenths of a cent on each 10 cents' worth of cotton to the price to Liverpool. If that be true, then the buyer gets paid for the tare, but I never get paid for it.

I do not think that is the way they do. If that is the way they do in invoicing that cotton to Liverpool at Fall River, it is absolutely news to me. I never heard of it in my life.

Mr. LIPPITT. If the Senator will read the department reports upon the matter, he will see that it is so.

Mr. WILLIAMS. I never heard of it in my life, and I do not believe there is any cotton buyer in Yazoo City who buys cotton from me at 10 cents a pound who adds six-tenths of a cent to it on that account when he sells it to Liverpool. Of course he adds something to it, because he is buying cotton in order to sell it at a profit.

As to what fixes the price of the cotton, of course nobody is stupid enough to say that Liverpool alone does it. The entire demand for the product all over the world, as contrasted with the supply, fixes it; but when the major demand is in one place, then that place is the controlling factor in the price.

Mr. WEEKS. Of course I knew that the Senator from Mississippi and his party were lost to reason on this subject before I commenced the discussion. I ask for a vote.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Massachusetts.

The amendment was rejected.

Mr. THOMAS. Mr. President, I offer as an amendment an additional paragraph, to be numbered 403½, which I ask to have read.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 124, after line 18, it is proposed to insert the following as a new paragraph:

4034. Alcohol, ethyl, of a proof strength of not less than 180° and containing denaturing materials of such character and quantity as to render it unfit as a beverage or for liquid medicinal purposes: *Provided*, That the proper denaturation of such alcohol (including denatured alcohol brought to the United States from Porto Rico) shall be determined in such manner as the Secretary of the Treasury may by regulations prescribe; and all such alcohol admitted free of duty or tax shall not be subject to any internal revenue tax.

The amendment was agreed to.

IMPORTATIONS IN AMERICAN VESSELS (S. DOC. NO. 179).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

In reply to the resolution of the Senate, dated August 20, 1913, reading as follows:

Resolved, That the Secretary of State be directed, if not incompatible with the public interest, to transmit to the Senate copies of all protests filed against paragraph J, subdivision 7, of section IV (V as amended) of H. R. 3321, "An act to reduce tariff duties and to provide revenues for the Government, and for other purposes," together with copies of all correspondence that has passed between this country and any foreign country relating thereto, and copies of any report or reports prepared or made thereon by any officer of the United States, the subject referred to being the provision in the tariff bill providing for a discount of 5 per cent on all duties on goods, wares, and merchandise imported by vessels admitted to registration under the laws of the United States.

I transmit herewith a report from the Secretary of State pointing out that the information called for by the resolution has already been communicated by the Department of State to the Committee on Finance of the United States Senate.

WOODROW WILSON.

THE WHITE HOUSE, *September 4, 1913.*

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The PRESIDENT:

The undersigned, the Secretary of State, has received the resolution of the Senate dated August 20, 1913, reading as follows:

"*Resolved*, That the Secretary of State be directed, if not incompatible with the public interest, to transmit to the Senate copies of all protests filed against paragraph J, subdivision 7, of Section IV (V as amended), of H. R. 3321, "An act to reduce tariff duties and to provide revenues for the Government, and for other purposes," together with copies of all correspondence that has passed between this country and any foreign country relating thereto, and copies of any report or reports prepared or made thereon by any officer of the United States; the subject referred to being the provision in the tariff bill providing for a discount of 5 per cent on all duties on goods, wares, and merchandise imported by vessels admitted to registration under the laws of the United States."

In response to this resolution, the undersigned has the honor to point out that the Department of State has already transmitted to the chairman of the Committee on Finance of the United States Senate, for the information of that committee, copies of all notes addressed to the department by the foreign diplomatic representatives in Washington protesting against the discount of 5 per cent allowed on all duties imposed on goods, wares, and merchandise imported by vessels admitted to registration under the laws of the United States. No further correspondence with these representatives has taken place save mere acknowledgment by the department of the receipt of their notes and the statement to them that copies of their notes had been transmitted to the appropriate committees of Congress.

Copies of a letter from the Secretary of the Treasury dated May 26, 1913, and of this department's reply of May 28, 1913, discussing the question of the alleged conflict of the provision with the stipulations of some of our treaties, are inclosed.

It appears, therefore, that the information requested by the resolution is in large part already at the disposition of the Senate.

Respectfully submitted.

W. J. BRYAN.

DEPARTMENT OF STATE,
Washington, August 29, 1913.

—

TREASURY DEPARTMENT,
Washington, May 26, 1913.

The SECRETARY OF STATE.

SIR: I have the honor to invite your attention to subsection 7, paragraph J, of section 4 of the pending tariff bill (H. R. 3321), which provides for a discount of 5 per cent on such goods, wares, and merchandise as shall be imported in vessels admitted to registration under the laws of the United States.

It has been pointed out to me, directly and indirectly, that this provision may result in the violation of many of our treaties with foreign nations, and is almost sure to result in international complications and diplomatic negotiations. Consequently, I earnestly suggest the advisability of submitting to the counselor for the State Department or such other officer as you may deem proper the question as to whether or not this provision is in violation of any existing treaty rights.

In view of the importance of this matter and the necessity for early action, I shall be greatly obliged if you will furnish me with the desired opinion at the earliest possible moment.

Yours, very sincerely,

WM. G. MCADOO.

—

DEPARTMENT OF STATE,
Washington, May 28, 1913.

The SECRETARY OF THE TREASURY.

SIR: Replying to your letter of the 26th instant, in which you request an expression of the opinion of the department as to whether subsection 7, paragraph J, of section 4 of the pending tariff bill (H. R. 3321) conflicts with the provisions of our treaties, I have the honor to say:

The clause in question reads as follows:

"J. Subsection 7. That a discount of 5 per cent on all duties imposed by this act shall be allowed on such goods, wares, and merchandise as shall be imported in vessels admitted to registration under the laws of the United States."

We have treaties with numerous countries, including the Argentine Republic, Austria-Hungary, Belgium, Colombia, Costa Rica, Denmark, Great Britain, the Hanseatic Republics, Italy, Japan, the Netherlands, Norway, Prussia, Spain, and Sweden, which provide, in one form or another, that neither contracting party shall charge a lower rate of duty on merchandise imported in its own vessels than it charges on merchandise imported in vessels of the other contracting party.

The earliest of these treaties now in force is that with Great Britain, concluded July 3, 1815, during the administration of Madison. It contains (art. 2) the following clause:

"The same duties shall be paid on the importation into the United States of any articles the growth, produce, or manufacture of His Britannick Majesty's territories in Europe, whether such importation shall be in vessels of the United States or in British vessels, and the same duties shall be paid on the importation into the ports of any of His Britannick Majesty's territories in Europe of any article the growth, produce, or manufacture of the United States, whether such importation shall be in British vessels or in vessels of the United States."

The convention of commerce and navigation with Denmark, concluded April 26, 1826, during the administration of John Quincy Adams, contains (Art. III) the following clause:

"They (the contracting parties) likewise agree that whatever kind of produce, manufacture, or merchandise of any foreign country can be, from time to time, lawfully imported into the United States, in vessels belonging wholly to the citizens thereof, may be also imported in vessels wholly belonging to the subjects of Denmark; and that no higher or other duties upon the tonnage of the vessel or her cargo shall be levied and collected, whether the importation be made in vessels of the one country or of the other."

Following this passage, there is a reciprocal provision as to importations in American vessels into Denmark.

Substantially similar stipulations may be found in Article III of the treaty of commerce and navigation with Sweden and Norway, concluded July 4, 1827.

Article III of the treaty of commerce and navigation with Prussia, concluded May 1, 1828, contains the following stipulation:

"All kinds of merchandise and articles of commerce, either the produce of the soil or of the industry of the Kingdom of Prussia, or of any other country, which may be lawfully imported into the ports of the United States in vessels of the said States, may also be so imported in Prussian vessels, without paying other or higher duties or charges, of whatever kind or denomination, levied in the name or to the profit of the Government, the local authorities, or of any private establishments whatsoever, than if the same merchandise or produce had been imported in vessels of the United States of America."

The article contains a reciprocal provision as to importations into Prussia in American vessels.

Similar clauses exist in the treaty of commerce and navigation between the United States and Austria-Hungary, concluded August 27, 1829.

The convention of commerce and navigation between the United States and the Netherlands, concluded August 26, 1852, contains the following article:

"ARTICLE I. Goods and merchandise, whatever their origin may be, imported into or exported from the ports of the United States from and to any other country in vessels of the Netherlands shall pay no higher or other duties than shall be levied on the like goods and merchandise imported or exported in national vessels. Reciprocally, goods and merchandise, whatever their origin may be, imported into or exported from the ports of the Netherlands from and to any other country in vessels of the United States shall pay no higher or other duties than shall be levied on the like goods and merchandise imported or exported in national vessels."

The treaty of commerce and navigation with the Argentine Republic, concluded July 27, 1853, briefly provides as follows:

"ART. VI. The same duties shall be paid and the same drawbacks and bounties allowed upon the importation and exportation of any article into or from the Territories of the United States, or into or from the Territories of the Argentine Confederation, whether such importation or exportation be made in vessels of the United States or in vessels of the Argentine Confederation."

It will be observed that Article VI, above quoted, refers to drawbacks and bounties. Similar stipulations are found in other treaties.

The various stipulations above quoted suffice to show the purport of the treaty provisions with which the proposed subsection is alleged to conflict. This allegation appears to be well founded if, as seems to be the case, it is intended by the subsection to allow the discount on duties only on merchandise imported in American registered vessels. Governments having treaty stipulations with the United States such as those above quoted probably would not object to the discount if it were extended, in conformity with those stipulations, to merchandise imported into the United States in their respective vessels; but they would not acquiesce in a discriminatory levy of lower duties on goods imported into the United States in American registered vessels because it was called a discount. It is the fact that a lower duty is charged, and not the term by which the reduction is described, with which the department is obliged to deal.

The department has received one communication from a Government with which we have at present no such treaty stipulations as those above quoted. This communication proceeds from the Government of France, whose ambassador at this capital has made to the department, with reference to the subsection in question, the following statement:

"This is tantamount to what was formerly styled the 'flag surtax' that was given up because, as every nation availed itself of it, there was no advantage in maintaining a system that was bringing inconvenience to all and profit to none. If such a clause were enacted, reciprocal measures would unfailingly be taken. The French administration would have no choice in the matter, since it would be bound to act upon article 6 of the law of May 19, 1866, which directs the levying of countervailing duties on the vessels of any government which, to the detriment of our own marine, adopts a system of duties or taxes from which its own is exempt."

I have the honor to be, sir,
Your obedient servant,

J. B. MOORE,
Counselor.
(For the Secretary of State.)

Mr. GALLINGER. Mr. President, I observe that the President says that the information called for has been transmitted to the Committee on Finance. This is a matter in which some of us are considerably interested. I rise simply to express the hope that the committee will put the Senate in possession of the facts as early as possible, so that we may give consideration to them.

The VICE PRESIDENT. The Chair will state to the Senator from New Hampshire, in the interest of time, that the Chair thinks a duplicate copy of the papers is attached to the message of the President, and will appear in the RECORD. The Chair believes the information is contained there.

Mr. GALLINGER. That will be very satisfactory.

Mr. THOMAS. The chairman of the committee is not present in the Chamber, but I have no doubt——

Mr. SIMMONS entered the Chamber.

Mr. BRANDEGEE. The chairman of the committee has just come on the floor.

Mr. GALLINGER. I had no purpose to consume any time. I wished merely to make the suggestion; that was all.

The VICE PRESIDENT. The contents of certain treaties are set out in the accompanying documents.

Mr. SIMMONS. Mr. President, I am advised that, in my absence, the Senator from New Hampshire [Mr. GALLINGER] made some inquiry with reference to the provision in the House bill making a differential in favor of goods imported in American bottoms.

Mr. GALLINGER. The only suggestion I made, if the Senator will permit me, was that the message from the President suggested that the answer had been communicated to the Finance Committee, and I ventured to say that I hoped the committee would find it convenient in some way to put the Senate in possession of it, as I for one Senator wanted to look into it a little.

Mr. SIMMONS. I will say to the Senator that I have not published all the letters that have been sent to the committee. I have published all the briefs, but I have not published all the letters. If, however, the Senator desires any communication that I have from the State Department or any other department of the Government with reference to this matter or any other matter, I shall be very glad to put it in his possession.

Mr. GALLINGER. My observation was not at all in criticism of the committee. In response, the Chair suggested that he felt quite sure the information was appended to the communication that the President sent in, and I said that was entirely satisfactory. I simply want to get the facts, that is all.

Mr. JONES. Mr. President, as I understand, not only the communication from the President, but the copies accompanying it will appear in the RECORD to-morrow morning.

The VICE PRESIDENT. It has been so ordered.

Mr. JONES. I should like to call the attention of the chairman of the Finance Committee to that. If that does not cover all of the papers or letters now in the hands of the Finance Committee relating to the subject matter of the resolution, I should like to have anything additional put in the RECORD.

Mr. SIMMONS. I will get what I have and give it to the stenographer.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

Mr. BRANDEGEE. Mr. President, if the Senator is willing, I should like to offer an amendment to paragraph 534, on page 141. It is a paragraph of the leather schedule. I do not know which Senator is the chairman of the subcommittee on the leather schedule.

Mr. HUGHES. I will say to the Senator that I have certain changes to suggest to that paragraph myself. If it will suit the purpose of the Senator, I should prefer to have him wait until the paragraph is perfected. Then, if it does not satisfy him, he may offer his amendment.

Mr. BRANDEGEE. My only reason for rising was that I thought the paragraph had been acted upon. I knew it had been passed over once, but I did not know it had been passed over again.

Mr. HUGHES. We have not yet reached it.

Mr. BRANDEGEE. I will ask the Senator from New Jersey if the amendment to paragraph 534 contemplated by him refers at all to harness and saddlery hardware?

Mr. HUGHES. No; it does not.

Mr. BRANDEGEE. Then, I will say to the Senator, if I may be allowed to do so at this point, that some time ago I introduced an amendment proposing to insert in line 17, on page 141, after the first word in the line, to wit, the word "unfinished," the words "except harness and saddlery hardware." The amendment was referred to the Committee on Finance.

Inasmuch as the Senator says the committee is considering some amendments to this paragraph, I desire to say now for his information that one of my constituents, who is in the business of manufacturing harness and saddlery hardware, wrote me some time ago that he thought this paragraph would put his product upon the free list, although it has nothing at all to do with leather.

Mr. HUGHES. I will say to the Senator that his constituent is correct. He construes the paragraph in the same way that I construe it. The object of the committee in making the change was so that saddlery hardware would come in free, as saddlery and harness do.

Mr. BRANDEGEE. If that is the case it seems to me it is somewhat unfair, because on page 50 of the bill, under paragraph 169, "articles or wares not specially provided for in this section, * * * if composed wholly or in chief value of iron, steel, lead, copper, nickel, pewter, zinc, aluminum, or other metal, but not plated with gold or silver, and whether partly or wholly manufactured" carry a duty of 20 per cent ad valorem. Under the Payne bill they carry a duty of 45 per cent ad valorem.

In connection with the proposition to put upon the free list harnesses, sole leather, and different kinds of leather, together with their saddles, I do not see why metal rings and buckles and things of that kind, which heretofore have borne a duty of 45 per cent, and articles similar to which, under paragraph 50, bear a duty of 20 per cent in this bill should be permitted to come in free under this paragraph as parts of harness. It simply puts out of business the few, and I suppose not very large, manufacturing concerns in this country that make these things, which are in a certain sense part of a harness but are no part of the leather of the harness. They are additions to it and ornamental things entirely independent of the harness, and are made in factories that make other similar articles for other purposes.

I have said all I care to say upon this subject at this time; and I have said it now because I want the Senator and his committee or subcommittee to consider the matter if they intend to report any amendment to this paragraph.

Mr. THOMAS. Mr. President, the committee on yesterday offered a substitute for paragraph 116, which was adopted. My attention has been called to a possible ambiguity in one of its expressions. I ask leave to recur to it, so that I may move to strike out the words "wire or wires provided for in this section" and substitute therefor the words "of the foregoing," so that it will read "any of the foregoing."

The VICE PRESIDENT. The question is on reconsidering the vote whereby the substitute paragraph was adopted.

The motion to reconsider was agreed to.

Mr. BRANDEGEE. So that it would read how if amended, Mr. President?

The SECRETARY. It is proposed to strike out the words "wire or wires provided for in this section" and insert "of the foregoing," so as to read:

116. Round iron or steel wire; wire composed of iron, steel, or other metal except gold or silver; corset clasps, corset steels, dress steels, and all flat wires and steel in strips not thicker than seven one-hundredths of 1 inch and not exceeding 5 inches in width, whether in long or short lengths, in coils or otherwise, and whether rolled or drawn through dies or rolls or otherwise produced; telegraph and telephone wires; iron and steel wire coated by dipping, galvanizing, or similar process with zinc, tin, or other metal; all other wire not specially provided for in this section, and articles manufactured wholly or in chief value of any of the foregoing; all the foregoing, 15 per cent ad valorem; wire heddles and healds; wire rope; telegraph, telephone, and other wires and cables covered with cotton, silk, paper, rubber, lead, or other material; all the foregoing and articles manufactured wholly or in chief value thereof, 25 per cent ad valorem; woven wire cloth made of iron, steel, copper, brass, bronze, or other metal, 30 mesh and above, 30 per cent ad valorem.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GALLINGER. I will venture to propound an interrogatory to the senior Senator from North Carolina, and I hope he will not misunderstand my purpose in doing it.

My attention was called yesterday to the fact that we probably should devote more hours to the consideration of the bill than we have been devoting; and I, for one Senator, said I should be very glad if it could be arranged. I will ask the Senator if it is in contemplation in the near future to meet at an earlier hour, or to hold night sessions? I will say to the Senator that it would be agreeable to many of us on this side of the Chamber if that were done.

Mr. SIMMONS. The Senator will understand that I have been very anxious for longer hours, and especially that we might get to night sessions; but so many matters have been referred back to the Finance Committee that during this week we have found it necessary for the committee to meet at night.

Then we have had some caucuses, as the Senator knows. To-morrow it will not be practicable for us to hold a long session, but after that, if it is necessary, I hope we may sit longer hours than we have done.

Mr. GALLINGER. I feel sure that whenever the Senator and his committee get to a point where that suggestion is to be made, it will be cordially concurred in by Senators on this side of the Chamber.

Mr. SIMMONS. I am very glad to know, as I have learned from private sources as well as from the public statement of the Senator, that the Senators on the other side are ready and willing to cooperate in every way to bring this bill to final passage.

Mr. GALLINGER. Yes; to pass the bill.

The SECRETARY. The next amendment passed over is on page 130, where the committee proposes to insert a new paragraph to be known as paragraph 427½, as follows:

427½. Blankets, composed wholly or in chief value of wool, valued at less than 40 cents per pound.

Mr. THOMAS. I move to amend the amendment by striking out the comma after the word "wool," on line 18, and inserting the words "or cotton" and a comma.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. The next paragraph passed over is paragraph 433. The Committee on Finance propose, in paragraph 433, page 131, line 13, after the word "music," to strike out the word "engravings"; in line 14, before "lithographic," to strike out "etchings"; and in line 14, after "prints," to strike out "bound or," so as to make the paragraph read:

433. Books, maps, music, photographs, lithographic prints, unbound, or in bindings over 20 years old, and charts, which shall have been printed more than 20 years at the date of importation, and all hydrographic charts, and publications issued for their subscribers or exchanges by scientific and literary associations or academies, or publications of individuals for gratuitous private circulation, not advertising matter, and public documents issued by foreign Governments.

Mr. LODGE. Mr. President, this paragraph was passed over with a view, I think, of the committee reconsidering the wording. I am entirely in agreement with what the committee has done in the amendment. I think it is very desirable, indeed, to accomplish the purpose which it aims at, and I think it will. I was rather troubled about the wording and thought it might lead to serious difficulty, such as the case of an old book of great value in a new binding of comparatively small value, when the intent was to bring the book in free, as to whether if the binding was dutiable it would fall on the book. But after trying to reword it and examining it with more care, I think that this distinguishes the binding from the book.

I do not think there is any ambiguity about it, because the general proposition that they shall have been printed more than 20 years follows, and I think it will cover it all.

Now, there is one other point. I suppose it would not be so interpreted, but grammatically what follows "and charts" would apply only to charts. Putting in the word "and" makes the clause "over 20 years old" apply to charts. Of course, it is intended to apply to everything.

If I may ask the Senator from Maine—I have been talking with him about it—I do not see that it would do any harm to put charts back in the general list "books, maps, and charts." It is true charts are not usually bound, but that does not make any difference; they would come in as unbound. I think it would be perfectly safe to make it read, "books, maps, charts, music," and so forth. Charts are sometimes bound as books and sometimes unbound, and it would make no disturbance to put charts back. That would leave the clause "or in bindings over 20 years old" apply to books, and it would leave the whole thing covered by the relative sentence.

Mr. JOHNSON. I am willing to accept the amendment proposed by the Senator from Massachusetts. Our only purpose in placing "charts" in line 15 was that we did not suppose charts were bound.

Mr. LODGE. Sometimes I suppose they are. In large folio volumes certainly charts are bound. I have seen them. I suppose that means really wall charts as distinguished from maps, but in any case they would come in as unbound.

Mr. JOHNSON. I move then, in line 15, to strike out the words "and charts."

The amendment to the amendment was agreed to.

Mr. JOHNSON. I move to insert the word "charts" after the word "maps" in line 13.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. The next amendment passed over is in paragraph 434, page 131, line 22. The committee report in the first line of the paragraph, after the word "Books," to strike out "and pamphlets printed chiefly in languages other than English; also books."

Mr. JOHNSON. I ask that the committee amendment be disagreed to.

The amendment was rejected.

Mr. JOHNSON. There is another committee amendment in the paragraph the adoption of which I ask.

Mr. THOMAS. The Senator from Maine will remember that it was also agreed that we would suggest, after the word "printed," in line 22, to insert the words "wholly or," so as to read:

Books and pamphlets printed wholly or chiefly in languages other than English.

Mr. LODGE. By unanimous consent, that change can be made.

Mr. JOHNSON. Having restored the language by disagreeing to the amendment of the committee, I move now to amend the language restored by inserting, after the word "printed," in line 22, the words "wholly or."

The amendment was agreed to.

The SECRETARY. In line 24 the committee reports to insert, after the word "blind," the words "and all textbooks used in schools and other educational institutions; Braille tablets, cubarithmes, special apparatus and objects serving to teach the blind, including printing apparatus, machines, presses, and types for the use and benefit of the blind exclusively."

The amendment was agreed to.

The SECRETARY. On page 132 the committee propose to strike out paragraph 438, which reads as follows:

438. Bran and wheat screenings.

The amendment was agreed to.

Mr. JOHNSON. The committee amendments in paragraph 435 have been agreed to?

The VICE PRESIDENT. They have been agreed to.

The SECRETARY. Paragraph 450, on page 133, relative to cash registers, and so forth, was passed over at the suggestion of the Senator from Illinois [Mr. SHERMAN].

Mr. THOMAS. The committee proposes an amendment there by inserting before the comma, after the word "separators," on line 15, the words "valued at not exceeding $75."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 133, in line 15, after the word "separators" and before the comma insert "valued at not exceeding $75."

The amendment was agreed to.

Mr. SHERMAN. Mr. President, I move to amend paragraph 450 by striking out in line 14 the words "sewing machines," and to transfer those words to paragraph 167 and insert them after the word "presses," in line 18, so that sewing machines will be dutiable at 15 per cent.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 133, line 14, it is proposed to strike out the words "sewing machines" and the comma and to insert the same words in paragraph 167, on page 49, on line 18, after the words "printing presses" and the comma.

Mr. SHERMAN. Mr. President, the reasons I have for offering this amendment I will give very briefly. Sewing machines have heretofore been dutiable, I think, at 45 per cent. About 50 per cent of the domestic machines are manufactured by one company. The balance are made by seven independent and competitive companies. The seven companies last year, by the figures they have presented to me, made about 650,000 domestic machines. They have about 6,500 men on their pay rolls. There is something like $8,000,000 of capital altogether in the seven companies. There are three of those companies in the State of Ohio, one in the State of Massachusetts, and three in the State of Illinois. Those seven companies are in no combination. All of them are in constant and active competition with each other. They manufacture almost entirely domestic machines operated by foot power. There may be with one company a small output of power machines.

In addition to the seven sewing-machine companies there is one company employing about 400 men in the city of Chicago, entirely devoted to the manufacture of power machines. Those machines are used in boot and shoe manufacture, in sewing heavy felts, and in such work as can be done only by a power machine. They are largely if not entirely used by special lines of trade and do not enter into the general domestic sewing-machine market.

The objection I find to free listing sewing machines entirely is in the effect it will have on the seven independent companies. The Singer Sewing Machine Co. is amply able to manufacture and sell under any schedule that may be prepared in this Chamber. They now manufacture and put upon the market of this country something over 50 per cent of the total number supplied

annually. The Singer Co. not only has its factories in the United States but it has very large plants elsewhere. There is one factory in Canada, a very large plant in Scotland, in Germany there is at least one, and in Russia there is another. They manufacture for their European trade entirely, I believe, from the foreign plants. The Singer Co. is a large concern. Its name is known universally where sewing machines are used.

They have, as I remember, something like $60,000,000 of capital in their allied concerns both here and abroad. They have, in addition to that, $40,000,000 surplus. There are about 12,000 workmen on the pay rolls in this country and abroad. At least 75 per cent of the mechanical force engaged in their manufactures are in foreign countries, leaving about 3,000 of the 12,000 in this country.

Free listing sewing machines will have no appreciable effect on this large company, but it will have an injurious effect upon the seven competitive companies. I think instead of regulating the price or lowering it or interfering with what might be called a trust, if one exists, in this line of manufacture, it would be more beneficial than otherwise to the larger company. The result would be what I fear will be the result in other lines, namely, the large concerns will not be affected by this change, while the smaller ones, which are less able to stand the competition from abroad, will be the companies that will suffer finally from free listing or from a greatly reduced rate.

I have been disposed to listen to the representatives of the seven independent companies. They say they can continue to do business in this country with a 15 per cent protection. Free listing the article, however, will be very injurious to their line of manufacture, and will only result in time practically in putting the business in the hands of the one large company with which the seven companies are now competitive as well as being competitive with each other.

Mr. LODGE. Mr. President, on the occasion when this item of sewing machines was before the Senate for consideration, or on the day afterwards, I said something about it and had printed some letters from some of the independent manufacturers. I can add nothing to what has been said by the Senator from Illinois [Mr. SHERMAN], who has covered the whole case. There is no doubt in my mind, however, that putting sewing machines on the free list will wipe out the independent operators and that it will not be of disadvantage to the Singer Co. at all, because they have factories abroad, and I think they will take possession of the business.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The SECRETARY. The next amendment passed over is on page 133, after line 19, where the committee propose to insert a new paragraph, as follows:

450½. Cast-iron pipe of every description.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The SECRETARY. The next paragraph passed over is paragraph 476, page 135, passed over at the request of Mr. SMOOT. The paragraph reads as follows:

476. Cryolite, or kryolith, natural.

Mr. JOHNSON. Mr. President, that was passed over at the suggestion of the Senator from Utah, but the committee suggest no change. Cryolite is made synthetically, and it is the intention of the committee to leave synthetic cryolite on the dutiable list.

Mr. GALLINGER. The Senator from Utah [Mr. SMOOT] is absent from the Chamber only for a few moments, and perhaps it would be well to let the paragraph go over.

Mr. JOHNSON. Very well; let the paragraph be passed over until he returns.

The VICE PRESIDENT. The paragraph will be temporarily passed over.

The SECRETARY. The next paragraph passed over is paragraph 486, on page 136, relating to emery ore and corundum. The committee have reported an amendment to the paragraph, which was passed over at the request of Mr. SMOOT.

Mr. GALLINGER. Let that paragraph likewise go over for a few moments, as the Senator from Utah has not returned.

Mr. THOMAS. Let the paragraph go over.

The VICE PRESIDENT. The paragraph will be temporarily passed over.

The SECRETARY. On page 137, paragraph 492, flax straw, was passed over at the request of Mr. MCCUMBER.

Mr. MCCUMBER. Mr. President, I submitted some remarks on that subject yesterday in the hope that the committee would at least take up the matter and give heed to my suggestion or consider the matter further in conference—one of the two. I do not care to present any additional statement.

Mr. WILLIAMS. I listened very attentively to the Senator and we did take it up, but concluded to stand by the action of the committee.

The SECRETARY. The committee proposes an amendment to paragraph 492, page 137, line 10, after the word "straw," to insert "flax, not hackled or dressed; flax hackled, known as 'dressed line,' tow of flax, and flax noils; hemp and tow of hemp; hemp hackled, known as 'line of hemp,'" so as to make the paragraph read:

492. Flax straw, flax, not hackled or dressed; flax hackled, known as "dressed line," tow of flax, and flax noils; hemp, and tow of hemp; hemp hackled, known as "line of hemp."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The SECRETARY. On page 137, paragraph 498 was passed over at the request of Mr. LODGE. The committee propose an amendment to strike out the paragraph, as follows:

498. Glass enamel, white, for watch and clock dials.

Mr. LODGE. I asked to have that paragraph passed over in connection with the watch paragraph, which has been adopted. I am sorry the committee did not adopt a specific duty, and I can not but smile when I think of time detectors classed with presses. This is merely an additional burden on the watchmakers. The watch industry has been obliged to suffer a heavy lowering of duty, including the duty on clocks of all kinds, and putting a duty on glass enamel is simply imposing a tax on their raw material. I am quite aware that it is impossible to make a change, and I do not care to detain the Senate on it further.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee, striking out paragraph 498.

The amendment was agreed to.

The SECRETARY. The next paragraph passed over is paragraph 505, on page 138, passed over at the request of Mr. SMOOT.

Mr. JOHNSON. Mr. President, I should like to recur to paragraph 503, on page 138. The committee wishes to move an amendment by striking out, in line 18, the words "natural and uncompounded."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 138, paragraph 503, line 18, after the word "oils," it is proposed to strike out "natural and uncompounded."

Mr. LODGE. I am very glad that that amendment has been proposed by the committee, for I think with those words in the intent of the paragraph might be defeated. It certainly would in the case of grease and fats used for stuffing and dressing leather.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JOHNSON. The committee also moves to insert in place of the words stricken out the words "not chemically compounded."

Mr. LODGE. I do not know what the effect of that will be, but I assume the committee has examined into it and has ascertained that that will not interfere with the purposes of the paragraph.

Mr. JOHNSON. We understand that it will not interfere with the purpose which the committee had. It will only strike out oils which are chemically compounded and not where there is a mechanical mixture of oils.

The SECRETARY. It is proposed to insert in lieu of the words stricken out the words "not chemically compounded."

The amendment was agreed to.

Mr. KERN. I ask unanimous consent that when the Senate adjourns to-day it adjourn to meet at 2 o'clock to-morrow afternoon.

The VICE PRESIDENT. Is there objection? The Chair hears none, and that order is made.

The SECRETARY. Paragraph 518, on page 140, was passed over at the request of Mr. SMOOT.

Mr. THOMAS. I desire to ask whether paragraph 505 was not also passed over at his request?

Mr. SMOOT entered the Chamber.

The VICE PRESIDENT. The Senator from Utah has returned to the Chamber. The Secretary will state the first paragraph which was passed over at the suggestion of the Senator from Utah.

The SECRETARY. Paragraph 476, page 135, reading as follows:

476. Cryolite, or kryolith, natural.

Mr. SMOOT. Mr. President, I desire to call the attention of the Senator from Maine to that paragraph. The word "natural" has been added to the present law. The effect of that is to restrict free entry to the natural cryolite. The cryolite which is made synthetically under that provision can not come in free. I do not know why that should be. It is virtually used for the same purpose, and I do not see why the synthetic should not come in free as well as the natural.

Mr. JOHNSON. Mr. President, the synthetic cryolite is made, we are informed, from sodium fluoride and from aluminum fluoride, both of which are dutiable at 15 per cent. Therefore synthetic cryolite is left upon the dutiable list. It was only intended to place upon the free list the natural cryolite.

Mr. SMOOT. I will say to the Senator, however, that under the bill in all other cases, as I recall, the synthetically manufactured article has been free whenever the natural article has been put on the free list. For instance, there is synthetic indigo, and I could enumerate a number of items similar to that. The synthetic article has been treated the same as the natural, and I wondered why the natural and synthetic cryolite should not be treated alike. I am perfectly aware that the solution from which the synthetic cryolite is made is dutiable, but I can not see if we are going to allow the article to come in that it makes a particle of difference whether it is the natural or whether it is the synthetic. I simply wanted to call the Senator's attention to it and see if he did not agree with me in that view.

Mr. JOHNSON. Mr. President, I will say that the committee considered the matter, and we distinguished cryolite from indigo, because no natural indigo is now imported; practically all the imported indigo is synthetic.

Mr. SMOOT. Ninety per cent of it.

The SECRETARY. Paragraph 486, page 136, was passed over at the request of Mr. SMOOT. The committee have reported an amendment to the paragraph, after "corundum," in line 23, to insert a comma and the words "and crude artificial abrasives, not specially provided for," so as to make the paragraph read:

486. Emery ore and corundum, and crude artificial abrasives, not specially provided for.

Mr. SMOOT. Mr. President, I have no objection to the paragraph being adopted as it is, but I will call attention to it in connection with the dutiable list before the bill finally passes from the Committee of the Whole to the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The SECRETARY. On page 138, paragraph 505, gum was passed over at the request of Mr. SMOOT.

Mr. SMOOT. Mr. President, I shall not ask to have a vote upon that. What I really wanted was to have amber upon the free list, where it always has been; but we took a vote upon that, and I shall not ask now to have another one.

The SECRETARY. The next paragraph passed over is paragraph 518, page 140, to which the committee have reported an amendment in line 2, after the word "water," to insert "and colors obtained from indigo," so as to make the paragraph read:

518. Indigo, natural or synthetic, dry or suspended in water, and colors obtained from indigo.

Mr. SMOOT. Mr. President, in my opinion that will allow not only indigo, synthetic and natural, to come in free—which is perfectly proper, and under the present law both come in free—but the words "dry or suspended in water," in my opinion, will allow indigo paste to come in free of duty. If it does we need not expect that any synthetic indigo or any natural indigo will ever come in. To-day indigo paste is dutiable, and it always has been. Of course, it is more highly condensed in the form of paste than it is in its natural state. I ask the Senator from Maine if that was his intention. If so, I am not going to say anything more about it.

Mr. JOHNSON. Mr. President, I move to amend the committee amendment by striking out the word "colors" in the second line and substituting in lieu thereof the word "dyes."

Mr. SMOOT. That, of course, is obviously right, the same thing applying as in the case of alizarin.

The VICE PRESIDENT. The amendment proposed by the Senator from Maine to the amendment reported by the committee will be stated.

The SECRETARY. On page 140, line 2, it is proposed to amend the committee amendment by striking out the word "colors" and inserting the word "dyes."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. Paragraph 534, on page 141, was passed over. The paragraph relates to leather not specially provided for, and so forth.

Mr. GALLINGER. Mr. President, I was about to ask that that paragraph might go over for the day. I have communicated by telegraph during the last hour with a constituent of mine engaged in the manufacture of saddlery, asking a certain question about it. It will not delay the consideration of the bill if Senators will be willing to let the paragraph go over until to-morrow.

The VICE PRESIDENT. In the absence of objection, the paragraph will be passed over.

The SECRETARY. Paragraph 548, page 142, meats, was passed over at the request of Mr. MCCUMBER.

Mr. MCCUMBER. Mr. President, I offer to the amendment proposed by the committee the amendment I send to the desk.

Mr. WILLIAMS. If the Senator will wait a moment, the committee would first like to offer an amendment to perfect the paragraph according to its idea, and then the Senator's amendment can follow.

Mr. MCCUMBER. Very well.

Mr. WILLIAMS, I offer the amendment I send to the desk. The language underscored in the amendment is the new part of it, the remainder being a copy of the language as it is in the bill.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. After the word "sufficient," in line 26, it is proposed to insert:

And such meats and meat products shall have all the rights and privileges of meats and meat products inspected by the Bureau of Animal Industry of the Department of Agriculture as prescribed in the act of June 30, 1906.

The VICE PRESIDENT. The Chair will call the attention of the Senator from Mississippi to the fact that there are some interlineations in the manuscript.

Mr. WILLIAMS. When I sent the amendment up I called the attention of the Secretary to the fact that the words underscored comprised the amendment to the amendment.

The SECRETARY. There are two portions underscored. The first amendment is in line 16 of the committee amendment, after the word "products," to insert the words "of cattle, sheep, swine, and goats."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. LA FOLLETTE. Mr. President, I ask to have the amendment reported again. I followed it as best I could with the text before me.

The SECRETARY. On page 142, line 16, after the word "products," in the committee amendment, it is proposed to insert the words "of cattle, sheep, swine, and goats."

Mr. WILLIAMS. I will state, briefly, that that was put in there because the department was a little afraid it might apply to horse meat.

The amendment was agreed to.

The SECRETARY. In line 26, after the word "sufficient," at the end of the line, it is proposed to insert a comma and the words:

And such meats and meat products shall have all the rights and privileges of meat and meat products inspected by the Bureau of Animal Industry of the Department of Agriculture as prescribed in the act of June 30, 1906.

Mr. WILLIAMS. Mr. President, in line 23, before the word "inspection," the words "cattle and meat" should also be inserted.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. Before the word "inspection," in line 23, it is proposed to insert the words "cattle and meat."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WILLIAMS. Now I will ask the Secretary to read to the Senate the entire paragraph as it stands, so that Senators may understand it.

The VICE PRESIDENT. The Secretary will now read as requested.

The Secretary read as follows:

548. Meats: Fresh beef, veal, mutton, lamb, and pork; bacon and hams; meats of all kinds, prepared or preserved, not specially provided for in this section: *Provided*, That meat and meat products of cattle, sheep, swine, and goats brought to the United States shall be subject to the same inspection by the Bureau of Animal Industry of the Department of Agriculture as prescribed by the act of June 30, 1906, for domestic cattle and meats, unless the Secretary of Agriculture shall be satisfied that the government of the country whence the meat or meat products are exported maintains and enforces a system of cattle and meat inspection equal to our own, or satisfactory to him as being competent to protect the public health, in which case the certificate of such

government that such inspection has been made shall be sufficient, and such meats and meat products shall have all the rights and privileges of meat and meat products inspected by the Bureau of Animal Industry of the Department of Agriculture as prescribed in the act of June 30, 1906.

Mr. WILLIAMS. Mr. President, I wish to read a memorandum from the Department of Agriculture which was sent to me, accompanied by a letter from the President of the United States recommending that the matter be taken into consideration.

The memorandum is as follows:

In re paragraph 548 of House bill 3321 (63d Cong., 1st sess.) entitled "An act to reduce tariff duties," etc. Imported meats.

Paragraph 548 of the foregoing bill as reported to the Senate provides as follows:

There the writer simply repeats the language of the bill before these two amendments were offered. His comment then is this:

The officials of this department are of the opinion that this paragraph is merely declaratory of existing law and that it will not change existing conditions.

Imported meats and meat food products are now subject to the food and drugs act of June 30, 1906 (34 Stat., 768).

I wish Senators would keep that in mind. A great many of them seem to be oblivious to that fact.

As a condition precedent to the entry into the United States of such imported products—

Now, mark this—

certificates of competent foreign veterinarians, whose authority has been viséed by American consuls, are required.

A great deal was said, when we were discussing this matter before, about ante-mortem examinations.

I go on with reading the memorandum:

When offered for entry, meats and meat food products are also subject—

This is, when they get here—

to inspection which is made by inspectors of the Bureau of Animal Industry to ascertain whether or not they comply with the provisions of the food and drugs act. Imported meats and meat food products, however, even though they be accompanied by certificates of foreign inspection, and even though they pass inspection at ports of entry, are not permitted to enter establishments where inspection is maintained under the meat-inspection law by reason of a provision in that law which prevents the admission into inspected establishments of all carcasses (except carcasses of farm-slaughtered animals) and parts of carcasses, meats and meat food products of cattle, sheep, swine, and goats which have not received ante-mortem and post-mortem inspection by the United States Department of Agriculture. In other words, the carcasses and meats and meat food products of animals slaughtered outside of the United States in common with the carcasses of domestic animals (except farm-slaughtered animals) not slaughtered in inspected establishments must be denied entry into inspected establishments.

That is to say, if the amendment, as we had it before we added the last part of it at their suggestion, had stood alone.

Accordingly, beef from Australia, Canada, or any other foreign country in the present state of law can not be admitted into inspected establishments. Nor can they be admitted, in the opinion of department officials, if the foregoing provision of the tariff act becomes a law in its present form.

It appears from representations to this department that a very practical obstacle to commerce in imported meats exists on account of the fact that nearly all of the establishments in this country which are equipped for handling meats on a large scale have inspection under the meat-inspection law.

By the way, perhaps I had better explain that the reason why this inhibition existed was to prevent the exchangeability of meats upon the premises. Of course, if they had inspected meats upon the premises, and then had been permitted to have other meats that had not been inspected, domestic meats, they could have exchanged labels and certificates, and all that. Now, when these meats come in from abroad, they come in with certificates, too.

The memorandum goes on:

If it is desired that imported meats and meat food products shall have access to inspected establishments and receive the same treatment as is accorded to the products of domestic animals which have been inspected by United States inspectors of the Department of Agriculture, different legislation is needed than that contained in paragraph 548.

To accomplish this purpose, the addition to paragraph 548 is suggested of a clause providing that imported meats and meat food products within its provisions shall be received into inspected establishments and have the same rights and privileges as the meats and meat food products of animals inspected by the Department of Agriculture under the meat-inspection law.

Accompanying that they sent, drawn up at the department, the amendment which has been read.

If it is desired to leave imported meats and meat food products on their present basis, so far as inspection at ports of entry and transportation in interstate commerce is concerned, paragraph 548 as it now stands will be sufficient. This will not permit inspected establishments to handle such products.

Accompanying that was this amendment.

Accompanying that was a letter from the President saying that it looked as if a joker had slipped into the paragraph. It did not mean that a joker had slipped into it, but that lack of a further provision might enable the law itself to operate as a joker, and imported meats might be gotten here in such a way that nobody could very well handle them for the market. Therefore we added the last four lines of the amendment.

Mr. GALLINGER. Just one word, Mr. President. I notice that in the memorandum from the department the term "meat food products" is used, while in the amendment it is "meat products." Would that make any difference? Would it not be better to include the word "food" in that paragraph throughout?

Mr. WILLIAMS. I think it would.

Mr. GALLINGER. There are three places, I think, where it would come in.

Mr. WILLIAMS. Yes; I think the Senator is right about that. The department itself drew up this amendment and did not use the expression "meat food products," but I think it would be well to insert that term.

Mr. GALLINGER. The first place is in line 16, the next is in line 22, and I think the third is in the last amendment.

Mr. WILLIAMS. I will look up the matter in a moment.

I ask unanimous consent that wherever the words "meat products" occur in the amendment they shall read "meat food products."

The VICE PRESIDENT. Is there any objection? The Chair hears none and unanimous consent is given.

Mr. CUMMINS. That request would simply perfect the amendment?

The VICE PRESIDENT. Yes.

Mr. CUMMINS. I have something to say about the amendment before it is adopted.

Mr. WILLIAMS. Oh, nothing in the world will prevent the Senator from doing that.

Mr. CUMMINS. I could not hear just what the Senator from Mississippi said and for what he asked unanimous consent. That is the reason I made the inquiry.

Mr. WILLIAMS. I asked unanimous consent, wherever the words "meat products" occur in the amendment, to make them read "meat food products."

Mr. CUMMINS. Precisely. I am perfectly satisfied with that. I did not hear just what the request was.

The VICE PRESIDENT. The question now is on the amendment proposed by the Senator from Iowa [Mr. CUMMINS], which was read on August 23.

Mr. WILLIAMS. Let us first adopt the amendments to the Senate amendment, so as to perfect it.

Mr. CUMMINS. I thought the amendments that had been proposed by the committee to perfect the amendment had been adopted.

The VICE PRESIDENT. The amendments to perfect the amendment proposed by the Senate committee have been adopted, but the amendment as amended has not been adopted, the Chair ruling that the amendment of the Senator from Iowa, which seeks to strike out the proviso offered by the committee and to insert other matter in lieu thereof, is the pending parliamentary question.

Mr. WILLIAMS. There is no doubt about that situation.

Mr. CUMMINS. Mr. President, I shall endeavor to be brief, because I have stated my view of this subject at a former time.

The amendments that have now been brought forward by the committee and have been incorporated into the proposed paragraph are commendable. They do aid the proposed law, but they do not at all meet the objection I made to it a few days ago.

I fancy that there are only a few people who have given the subject enough attention really to appreciate the issue between my amendment and that offered by the committee. If I may be permitted to restate it, the committee proposes that when meat shall come to our country from abroad it shall be inspected in accordance with the law of 1906. The importer of such meat has a right under the law to insist that it shall be admitted to our ports if it passes the examination or inspection of meats provided for in the law of 1906.

The importer has one further chance. If the administrator of the law is of the opinion that the provisions relating to such matters in the country from which the meat comes are equivalent to our own, then there is no inspection required, but the meat is admitted upon the certificate of the authorities of the country from which the meat comes. Primarily, however, the inspection required is an inspection of the meat, and the meat can be admitted of right into this country upon that inspection if it passes it.

I do not believe that is fair to our own producers of meat. I do not believe it furnishes the necessary protection to the consumers of imported meat. I believe that no meat should

come into the United States unless the country from which it comes has established and maintained a system of inspection the equivalent of or as efficient as our own. I think that ought to be a condition precedent to the admission of meats into the United States from foreign countries, and I think so because the purity or the wholesomeness of the meat can not be determined fully and completely by an inspection after the arrival of the meat in this country. There must be an ante-mortem and a post-mortem inspection at the place at which the animal is killed in order to provide the full measure of protection that the case demands.

When we were discussing the matter here the other day, it was rather assumed that a post-mortem inspection could occur at any time after the animal was killed. There is a sense in which, of course, any inspection of the meat after the animal is killed is a post-mortem inspection; but that is not the post-mortem inspection of which the Bureau of Animal Industry speaks when it discusses the subject. The post-mortem inspection is the inspection of the animal after it is killed and before it is converted into meat. The inspection of the various parts of the animal which are not converted into meat constitutes a part of the post-mortem inspection, and it has to be carried on and performed immediately; and that, in connection with the ante-mortem inspection, determines whether the animal is fit for food. After the meat is manufactured, and when it is about to pass into commerce or use, then the meat is also inspected in our country; and that part of the process can be carried on under the amendment proposed by the committee. That is, the meat can be inspected here after it arrives, and nothing more can be inspected. The Senator from Mississippi has treated the matter all the time as though the Department of Agriculture could require it before the meat enters our market.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Wisconsin?

Mr. CUMMINS. I do.

Mr. LA FOLLETTE. I do not wish to interrupt the Senator's argument, but at that point, if I may inquire, what relative importance does he attach to the ante-mortem investigation or inspection as compared with the post-mortem inspection?

Mr. CUMMINS. The ante-mortem inspection is not so important as the post-mortem inspection. The ante-mortem inspection is like the warning process to the post-mortem examination that takes place immediately.

The post-mortem inspection is not that examination which is made of the meat from time to time as it is used or as it is sold, but it is the examination of the animal after it is killed and after the viscera is taken out and after its parts are exposed. That is the time when the inspector ascertains whether the animal is fit for food.

Mr. LA FOLLETTE. I so understand the relative importance of those two inspections, Mr. President.

Now, further, I should like to ask the Senator what importance especially he attaches to the inspection of the meat as differentiated from the post-mortem inspection.

Mr. CUMMINS. I think it is valuable, but it is valuable only for the purpose of ascertaining whether there has been deterioration; whether it has been so taken care of and so preserved that the process of disintegration has not begun. It may be well illustrated by the case of poultry. A fowl is killed perfectly good and sound. It is put into cold storage and kept there six months and taken out. It then ought to be examined in order to ascertain whether during the time of its storage such deterioration or disintegration has gone on as to render it unfit for food. That is an illustration of the value which I attach to the inspection of the meat.

Mr. LA FOLLETTE. That inspection, Mr. President, if I understand the Senator aright, would not be very material in determining whether the meats were diseased, but rather in determining whether there had been deterioration in meats that were suitable to be branded as inspected and passed, but which, for some reason or other, perhaps improper storage or curing or canning, had deteriorated in quality. Am I right in that?

Mr. CUMMINS. That is the understanding I have of the three inspections.

Mr. LA FOLLETTE. Then, Mr. President, so far as the great question of the diseased quality of the meat is concerned, that must be largely if not wholly determined by the post-mortem examination.

Mr. CUMMINS. Very largely; it might be said almost entirely.

Mr. LA FOLLETTE. Almost entirely. If I understand the Senator aright—and his estimate of the relative importance of these inspections agrees with my own—the ante-mortem investigation is rather an unimportant and passing investigation. In practice, I understand, in the stockyards connected with the packing houses this ante-mortem inspection is made quite largely by running the eye over the animals as they pass on the scales to be weighed.

Mr. CUMMINS. And also when something develops in the view of the animal that excites suspicion.

Mr. LA FOLLETTE. Some glaring defect.

Mr. CUMMINS. Then the animal is tagged.

Mr. LA FOLLETTE. Then the animal would be tagged.

Mr. CUMMINS. And the post-mortem examination of that carcass is all the more close and careful.

Mr. LA FOLLETTE. Now, Mr. President, if the Senator will pardon the interruption——

Mr. CUMMINS. Certainly.

Mr. LA FOLLETTE. If the ante-mortem examination is not so deeply significant in its importance and if the inspection of the meat products after the post-mortem examination goes more to the determination of the meat rather than to the detection of disease rendering the product unfit for human food, then the post-mortem examination becomes a tremendously important and vital inspection in the public interest.

Mr. CUMMINS. I so understand.

Mr. LA FOLLETTE. Now, Mr. President, if that is so with respect to these imported meats, since we can not claim the right to install inspectors in foreign countries to observe and pass judgment on their methods, in order to determine whether their post-mortem examination is made according to our standards, is it not of supreme importance that we require of the government seeking to import meats into our markets something that will go as far as it is possible for one government to go in dealing with another to insure the quality of that meat? Therefore is it not important, is it not vital, to our people that this proposed amendment should require, in the first place, that the foreign government should furnish a certificate with the meat that it is free from disease? That furnishes a standard. That is a standard in itself.

In other words, ought we not to require from those governments what those governments require from us? They require a certificate that the meats which we seek to export into their countries are from animals that are absolutely free from disease. I happen to have here a copy of the form of certificate which we have to furnish with every shipment of our meats to foreign countries in order to secure admission to their markets. This Government must certify that the meats are from animals free from disease, that the product is wholesome, healthful, and fit for human food. I think if we require less than that of foreign countries seeking entry to our markets, we not only do grave injustice to our people, but we belittle and disparage and discount our own standards.

I did not mean to take so much of the Senator's time.

Mr. CUMMINS. I am very glad to yield the time to the Senator from Wisconsin. He has stated with accuracy and impressively, as he always states a case, the view that I have attempted to express in my amendment. I became convinced when I argued it before that there was absent from my amendment what there ought to be in it, namely, a provision for a certificate. I have hoped that my amendment might be so perfected that it would include that requirement.

But my principal purpose in rising is to show that we are establishing here by the amendment proposed by the committee a standard that is not the standard foreign governments require of us. It is not the standard that we require of our own slaughtering plants. And we will be, as it seems to me, the laughing-stock of the world if we pass a provision of this kind that will admit the meats of the world upon the inspection of the product alone after it reaches our own ports.

Mr. WARREN. Will the Senator allow me?

Mr. CUMMINS. I yield to the Senator from Wyoming.

Mr. WARREN. I appreciate the strength of the argument that has been made, especially that we should require every consideration from other countries that is given to our meats in preparing them for shipment abroad. But I think that the ante-mortem examination, an examination of the live animal, is an important one.

Mr. CUMMINS. I did not say it was not an important one, I say it is not as important as the post-mortem examination.

Mr. WARREN. A disease like lumpy jaw is scarcely discovered except in live animals. I believe the Senator has rather strengthened than weakened the argument he has already made that we should have every guard on the ground where the animals are put on the market in foreign countries, and every kind of certificate from them that they may expect from us, as well as our examination after the meat shall have arrived here.

Mr. GALLINGER. Will the Senator permit me?

Mr. CUMMINS. I yield to the Senator from New Hampshire.

Mr. GALLINGER. As to the matter of an ante-mortem examination, the Department of Agriculture sends out agents or inspectors where tuberculosis is suspected in herds, the tuberculin test is used, and thousands of animals are slaughtered belonging to farmers when the test shows there is a tuberculous condition. I think it might be well to keep that in mind as one of the ante-mortem tests.

Mr. CUMMINS. We could not apply that in connection with a tariff bill, because the tuberculin test is one which requires two or three days or more to perfect. When cattle are brought to a slaughterhouse they are not usually, and I do not know that they are ever, subjected to that test immediately before killing. But the inspector goes into the pen or watches them as they go over the scales, or in some way takes a view of them. He sees an animal with the lumpy jaw or with evident indication of disease of some other kind, and that animal is then put under suspicion. Possibly the disease may be so far advanced that the animal is at once driven away and not slaughtered at all, except to go into the tank or into some other manufacture than food. When the animal is killed and all its parts examined it is that examination which is the most valuable of the three, although all of them are important.

I want to call attention again to what you are doing here. This meat comes in free—

Provided, That meat and meat products brought to the United States shall be subject to the same inspection—

The amendment made by the committee just a moment ago does not change this in any degree—

by the Bureau of Animal Industry of the Department of Agriculture as prescribed by the act of June 30, 1906, for domestic cattle and meats.

Will anyone tell me how the examination required in the law of 1906 with respect to domestic cattle can be carried into effect after the meats reach the port of New York or any other port of the United States? It is a contradiction in terms and is obviously meaningless.

That is the examination which is provided for, and upon that examination these meats, if they pass it, go into the consumption of the people of the United States. But if the shipper or the importer can convince the Secretary of Agriculture that the country from whence the meat comes maintains a system of inspection of both cattle and meats, then there is no examination whatever provided for. We must, as it seems to me, keep our eyes single upon the fact that we are proposing here to admit foreign meats upon examination of the meats alone, and even that may be abandoned or waived if the Secretary of Agriculture is willing to accept a certificate that a foreign system prevails for ante-mortem and post-mortem inspection.

That is a condition upon which there shall be no examination. It does not take away from the importer the right to insist upon selling our people the foreign meat if the meat itself will pass the inspection. That, as suggested by the Senator from Wisconsin [Mr. LA FOLLETTE], means nothing more than to see that the meat has not deteriorated since the animal was killed, because all scientists agree that the diseases from which we desire to protect the people can not be discerned or detected in the meat after it has reached the point at which it is ready for sale.

I am sure that my Democratic friends do not want, first, to make the discrimination they are making against our own producers of meat. I am sure they do not want to give the importer the advantage that is given to him in this provision. But passing to an infinitely higher consideration, I am sure they do not want to subject the health and the lives of the people of the United States to the dangers that lie in the sale of diseased meat. If you could determine that after the meats have landed in our ports I would not say a word, but you can not. There is not a scientist in the land who will assert a contrary doctrine. Therefore I should like some explanation, I should like some reason, for the rule that has been announced in this paragraph.

Mr. President, it had escaped my mind and I had not modified my own amendment as I said the other day that I would. I think the amendment ought to contain a provision for the foreign certificate. I should like to have this paragraph passed over until to-morrow, when I shall present a modification of that kind.

Mr. LA FOLLETTE. If I may be permitted, Mr. President, I will say that I have prepared an amendment that I shall ask to have printed and I am going to ask to have this paragraph go over. It is altogether too important to be disposed of in the closing few moments of the session to-day, and I should like to have——

Mr. WILLIAMS. I do not want to pass the paragraph over any more.

Mr. LA FOLLETTE. It will have to go over.

Mr. CUMMINS. It may be that I shall be willing to accept the amendment proposed by the Senator from Wisconsin.

Mr. LA FOLLETTE. With the consent of the Senator from Iowa, if it is not interrupting him——

Mr. CUMMINS. Not at all.

Mr. LA FOLLETTE. I will ask to have the amendment read by the Secretary, if the Senator does not mind.

Mr. CUMMINS. I shall be very glad to hear it.

Mr. LA FOLLETTE. That is a substitute for the committee proviso.

Mr. WILLIAMS. Has the Senator asked that it be read for the information of the Senate?

Mr. LA FOLLETTE. I have.

The VICE PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On page 142, line 15, in place of the committee proviso, it is proposed to insert the following:

Provided, however, That none of the foregoing meats shall be imported into the United States from any foreign country unless the same are certified by the proper authorities of such foreign country, in a form to be prescribed by the Secretary of Agriculture, to have been derived from animals entirely free from disease and to be sound, healthful, wholesome, and in every other respect fit for human food, and to contain no poisonous or deleterious dyes, chemicals, preservatives, or other ingredients: *And provided further*, That if the President, after due investigation, shall find that the system of meat inspection maintained by any foreign country is not the substantial equivalent, or is not as efficient as the system established and maintained by the laws of the United States, or that reliance can not be placed on the certificates required under this section from the authorities of such foreign country for meat imported into the United States, he may proclaim that none of the foregoing meats shall be imported into the United States from such foreign countries: *And provided further*, That none of the foregoing meats imported into the United States from any foreign country shall be sold in the United States until they have been examined and inspected by inspectors appointed for that purpose by the Secretary of Agriculture, and have been found to be sound, wholesome, healthful, and in every other respect fit for human food, and to contain no poisonous or deleterious dyes, chemicals, preservatives, or other ingredients.

Mr. CUMMINS. Mr. President, the proposed amendment just read seeks to reach the very same object that I have sought in my amendment. I am inclined to think that it is more effective than mine, and I shall be very glad to withdraw mine and accept the proposed substitute of the Senator from Wisconsin. It combines what I have proposed with the additional provision for a certificate from the foreign country. It was obvious to me the moment the Senator from Mississippi [Mr. WILLIAMS] pointed it out the other day, that my amendment ought to have contained a provision for such a certificate. If the Senator from Mississippi, who stands opposite me there, with the Senator from Wisconsin between, will accept the amendment proposed by the Senator from Wisconsin, I will do so, and in that way we can settle the matter right now.

Mr. WILLIAMS. Mr. President, the difference between my acceptance of a proposition and the acceptance of the same proposition by the Senator from Iowa is perfectly plain and obvious. Some days ago, as the Senator from Wisconsin will remember, I requested him to give me a copy of his amendment so that the subcommittee might consider it; and I should have been very glad if he had complied with that request——

Mr. LA FOLLETTE. Mr. President——

Mr. WILLIAMS. But to ask me to accept an amendment which I have merely heard read here upon the floor, without the opportunity to give it that consideration and care that I ought to give so important a matter as this, is too much.

Now, I will say, both to the Senator from Wisconsin and the Senator from Iowa, that this matter has given the subcommittee and it gave the Committee on Finance a great deal of trouble. The Department of Agriculture substantially drew the committee amendment as it is, and having drawn it, I feel that we have spent enough public time over it as it is.

The matter will be thrown into conference between the two Houses, and I can assure the Senator from Wisconsin, so far as I can have any control or voice in the matter, that when the conferees meet his proposed amendment shall receive careful consideration; but I can not undertake to accept the amendment upon the spur of the moment in this sort of hasty manner. I should have been very glad indeed to have had the advantage of it earlier in the subcommittee——

Mr. LA FOLLETTE. Mr. President——

Mr. WILLIAMS. So that we might have studied it out. It may possibly be that it is preferable to the one we have here. It, at least, takes care of the certificate part of it. There are some defects about it, hearing it at first blush. I think the authority ought to be placed in the Secretary of Agriculture and not in the President; but that is a mere matter of form, for, of course, if it were placed in the President the Secretary of Agriculture would exercise it. I would rather that we would go ahead, take a vote upon the committee amendment, adopt it, and then we can consider the matter further in conference.

Mr. CUMMINS. Well, Mr. President, so far as I am concerned, I am not quite willing to submit it to a vote of a conference.

Mr. LA FOLLETTE. Mr. President, if the Senator from Iowa will have the kindness to yield to me just for a moment; I sought to interrupt the Senator from Mississippi, but was not able to get him to yield——

Mr. WILLIAMS. I did not know the Senator was trying to get me to yield.

Mr. LA FOLLETTE. I wish simply to say that I would have submitted the amendment which I have proposed here this evening in time for the Senator to have considered it—or for his committee to have considered it—before they proposed their amendment if it had been possible for me to do so; but, like every other Senator upon this floor, I am pressed with work, and I was not able sooner to bring the matter to his attention. Indeed, the subject came up a little earlier this afternoon than I expected it would. I hope, however, Mr. President, that the discussion upon this very important provision may continue until the adjourning hour, so that the Senator from Mississippi and his associates may have the opportunity to compare these various amendments and to consider them.

Mr. WILLIAMS. I am not willing to recommit the provision.

Mr. LA FOLLETTE. I am not asking to have it recommitted, Mr. President, but I am asking the Senator for an opportunity to compare the amendments.

Mr. WILLIAMS. Mr. President, merely from listening to the amendment it struck me as being possibly all right or probably all right; but the matter will be open for conference between the two Houses, and the amendment, I can assure the Senator, so far as I have anything to do with the conference, will be considered there. I will say that, so far as I am personally concerned, I am not altogether satisfied with the Senate committee amendment, but it was the best I could get. I had the Department of Agriculture draft the amendment, and in the letter which I read to the Senate here to-day they rather intimate that the existing law is sufficient.

Senators do not seem to be aware of the fact that veterinary surgeons whose competency is certified by American consuls in Europe and every other country from which meat is exported, now make ante-mortem examination of meat shipped to the United States.

Mr. CUMMINS. That is only by rule or order; it is not by virtue of law.

Mr. GALLINGER. If the Senator will permit me, it may surprise some Senators on the other side to have me repeatedly say that I am anxious to have this bill proceeded with as rapidly as possible, but that is the way I feel. I will say to the Senator from Mississippi that, for the purpose of economizing time, it is better that the request which has been made that this paragraph go over until to-morrow be conceded, for the reason that, if it is not, I am satisfied that the paragraph will be debated until 6 o'clock, when it will then go over until to-morrow, and we will simply waste half an hour. So I hope the Senator will agree to let the paragraph go over.

Mr. WILLIAMS. I am anxious to get this bill out of the Committee of the Whole on Saturday at any rate.

Mr. GALLINGER. So am I.

Mr. WILLIAMS. And I think it is an abuse of the public patience to continue the matter at much further length. This matter was discussed the other day all day long, and I think it was discussed a part of another day. We recommitted the paragraph, because we became convinced by the discussion that it probably ought to be further amended. If there is any way of arriving at a vote of the Senate—and I do not know whether there is; I do not believe human ingenuity has ever discovered any—we ought to arrive at it.

Mr. GALLINGER. If the Senator will permit me further, a very important amendment has been offered. I look upon it as an extremely important amendment. The Senator from Mississippi says that he simply heard it read, as I only heard it read. Does not the Senator think that it would really economize time to give Senators an opportunity to examine it?

Mr. WILLIAMS. No, I do not. I think if Senators would let us proceed with the business of the Senate we could take up the amendment later if necessary.

Mr. GALLINGER. I have nothing further to say. I think the request that the paragraph should go over until to-morrow was a very reasonable one. We have passed over other paragraphs. I can assure the Senator, from some knowledge that I possess, that no progress will be made if the request is refused.

Mr. WILLIAMS. This matter went over once before, and, so far as I can see, it went over merely for the purpose of having repeated speeches which were formerly made.

Mr. CUMMINS. Mr. President——

Mr. WARREN. I want to suggest to the Senator——

Mr. CUMMINS. I have the floor, have I not, Mr. President?

The VICE PRESIDENT. The Senator from Iowa has the floor.

Mr. WARREN. I beg pardon.

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. CUMMINS. I yield to the Senator from Wyoming.

Mr. WARREN. The Senator from Mississippi is quite right that matters can be arranged in conference, but my experience in conference has led me to believe that it is well beforehand to cover the ground and broaden the lines on a disputed question so far as possible in order to enable the conferees to arrive at a proper conclusion. Now, why not take this amendment as it is offered and accept it, and then have in conference the amended provision as well as the original proposition?

Mr. WILLIAMS. For the very simplest reason in the world: We happen to be the majority party and do not care about having some particular amendment——

Mr. WARREN. You would be the majority party in conference.

Mr. WILLIAMS. We propose to be here, too.

Mr. WARREN. Am I to understand, then, that whatever may be offered by the minority party, however good it may be, must be denied because it comes from the minority party?

Mr. WILLIAMS. The Senator can not say that. We have accepted, I suppose, 15 or 20 amendments from the minority party.

Mr. WARREN. I should like the Senator to make a record of them.

Mr. WILLIAMS. The Senator from Utah [Mr. SMOOT] has suggested six or seven amendments which were adopted, and the Senator from Wisconsin [Mr. LA FOLLETTE] two or three—two that I know of—and several other Senators have suggested amendments which have been agreed to. What I say about this is that in its present shape we prefer the Senate amendment, because we do not now know well enough what the other is, and we should not be asked to accept the other amendment as a basis for conference instead of our own.

Mr. CLARK of Wyoming. Mr. President——

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. CUMMINS. I do.

Mr. CLARK of Wyoming. In the first place, nobody is asking the Senator from Mississippi to accept any amendment, and in the next place, the committee have possibly considered the amendment which they have presented here within the last 20 minutes, but no other Member of the Senate has had an opportunity to consider that amendment, nor has the Senate had an opportunity to consider the very important amendment which was offered as a substitute by the Senator from Wisconsin. Therefore the Senate as a whole has had neither of these amendments before it for 30 minutes.

The whole general subject of meat inspection, of course, has been discussed, but these amendments go to the matter of detail and should have some consideration. So, I say, it seems to me that justice to the Senate, justice to the committee, and justice to the bill itself requires that some consideration should be given to these two amendments and that the one should be compared with the other. It occurs to me the request that the paragraph go over until the beginning of the session to-morrow is a very reasonable one.

Mr. WILLIAMS. The Senator is mistaken in his statement of facts. Two requests were made that we accept the amendment, one by the Senator from Iowa [Mr. CUMMINS] and the other by the Senator from Wyoming [Mr. WARREN].

Mr. CLARK of Wyoming. The amendment was offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. WILLIAMS. I understand that.

Mr. CLARK of Wyoming. And the Senator from Wisconsin has not asked that the amendment be accepted by the committee, and the Senator from Iowa simply said that he was willing to accept the amendment in place of his if the Senator from Mississippi was willing to accept it.

Mr. CUMMINS. If he was willing, I was also willing to accept it.

Mr. CLARK of Wyoming. That is the situation.

Mr. CUMMINS. That is the condition.

Mr. WILLIAMS. Mr. President, the assumption that because we have not considered a particular amendment which has been thrown at us, therefore we have not considered the subject matter, is rather strange.

Mr. CLARK of Wyoming. Mr. President, I have not made that assumption. I said we had considered the subject matter,

but the details of arriving at it were also very important, and we should have an opportunity of considering them.

Mr. WILLIAMS. But the committee has considered the subject matter.

Mr. CLARK of Wyoming. But the Senate has not.

Mr. SIMMONS. If the Senator from Mississippi will pardon me a moment——

Mr. WILLIAMS. I am willing to let it go over.

Mr. CUMMINS. If the Senator from North Carolina desires to interrupt me I will be very glad to yield to him.

Mr. SIMMONS. I was simply going to suggest to the Senator that probably we should save time by allowing the paragraph to go over. I understand the Senator from Mississippi has consented to that. If the paragraph goes over until to-morrow, I presume that will be satisfactory to the Senator from Iowa.

Mr. CUMMINS. I am perfectly willing that that disposition shall be made of it. I am not particularly anxious, however, because the debate can go on, and there are here Senators who are ready to speak upon the subject.

Mr. SIMMONS. I ask the Secretary to proceed with the reading of the bill.

The SECRETARY. The next paragraph passed over is paragraph 558, on page 144, relative to cut nails, and so forth. A portion of the paragraph only was recommitted to the committee on request of Mr. STONE. The portion recommitted to the committee extends down to and includes the word "section," in line 7.

Mr. THOMAS. Mr. President, my recollection is that an amendment was offered to the paragraph and adopted.

The VICE PRESIDENT. There was an amendment suggested but it was not adopted.

Mr. THOMAS. Then, after the word "nails," in line 6, I move that the words "horseshoe nail rods," be inserted.

The VICE PRESIDENT. The committee report back the portion of the paragraph recommitted and propose an amendment, which will be stated.

The SECRETARY. After the word "nails," in line 6, it is proposed to insert "horseshoe nail rods."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The SECRETARY. The next paragraph passed over is on page 146.

Mr. JOHNSON. Mr. President, before we reach that paragraph, I wish to offer an amendment to paragraph 561. In line 22 of that paragraph, I move to strike out the "period" after the word "manner," and to insert a semicolon and the words "palm nuts and palm nut kernels."

Mr. SMOOT. That puts them on the free list, the oil made from the nut being also on the free list.

Mr. JOHNSON. Yes. I am directed by the committee to offer that amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 561, page 144, line 22, after the word "manner," it is proposed to insert a semicolon and the words "palm nuts and palm nut kernels."

The amendment was agreed to.

Mr. SMOOT. Before going to the paragraph stated by the Secretary, I should like to call the attention of the Senator to paragraph 566, in relation to lubricating oils.

Mr. JOHNSON. I wish to offer an amendment to that paragraph, which I think will meet the Senator's objection.

On behalf of the committee, I offer the following amendment to paragraph 566, page 145, lines 10 and 11: After the words "paraffin oil" and the semicolon, I move to strike out the words "lubricating oils not specially provided for in this section."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 145, in paragraph 566, lines 10 and 11, it is proposed to strike out the words "lubricating oils not specially provided for in this section" and the semicolon after the word "section."

The amendment was agreed to.

The SECRETARY. On page 146 paragraph 572 was passed over at the request of the senior Senator from Massachusetts [Mr. LODGE]. It is the paragraph relative to printing paper.

Mr. LODGE. Mr. President, I had that paragraph passed over because I wanted to take it up in connection with paragraph 651. We have dealt with the question of paper, however, and the countervailing duties in another section of the bill. I said what I had to say in regard to the countervailing duties provided in the case of paper and showed, I think, that they were entirely ineffective, and I do not care to do it here.

The VICE PRESIDENT. The paragraph contains no amendment.

The SECRETARY. The next paragraph passed over is paragraph 585, on page 147, which was passed over at the request of the senior Senator from North Dakota [Mr. MCCUMBER].

Mr. MCCUMBER. I offer an amendment to the paragraph, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In line 24, page 147, in the committee amendment, it is proposed to strike out the numerals "10" and insert in lieu thereof the numerals "20," so that it will read:

Provided, That any of the foregoing specified articles shall be subject to a duty of 20 per cent ad valorem when imported directly or indirectly from a country, dependency, or other subdivision of government which imposes a duty on such articles imported from the United States.

Mr. MCCUMBER. Mr. President, this paragraph places "potatoes, and potatoes dried, desiccated, or otherwise prepared, not specially provided for in this section," upon the free list, unless there is a countervailing duty. In case of a countervailing duty it imposes a duty of 10 per cent ad valorem against the country which has the duty upon our own products.

The two countries most likely to export potatoes to the United States under this free-trade bill will be Canada and the Argentine. In looking over the Canadian laws, I find that Canada levies a duty of 20 cents a bushel upon American potatoes. Australia levies a duty of 13 cents a bushel upon them, and Argentina levies a duty of 28.4 cents a bushel upon them.

Maine has now become one of the great potato-producing States of the United States. New York produces great quantities of potatoes, as do Minnesota, Michigan, Wisconsin, and all of the border States.

The great rivals of the farmers of these border States are the farmers of the Provinces of Ontario and Quebec. By this bill, in connection with the Canadian law, we are about to compel the farmers of those States who produce potatoes and wish to sell them in Canada to pay a duty of 20 cents a bushel, and then we turn around and say to the Canadian farmer, "You can bring your potatoes into the United States for 10 per cent ad valorem." With potatoes worth ordinarily, we will say, from 30 to 40 cents a bushel, the 10 per cent ad valorem will amount to 3 or 4 cents a bushel.

Why, again, should this discrimination be made against the American farmer? My amendment seeks to place them at least on a parity and to treat the American farmer who pays taxes and who performs the duties of American citizenship as justly as we treat the Canadian farmer who does not assume these duties. But why does the Democratic Party desire to punish him and treat him less cordially than it treats the Canadian farmer?

You know that the lands on which potatoes are produced in this country are at least as valuable as the Canadian lands, and in most cases more valuable. You know, also, that the cost of labor in producing potatoes in this country is somewhat greater at least than the cost of producing them in the Provinces of Ontario and Quebec.

If I have understood the Democratic policy at all aright as it has been uttered many times upon this floor, it is that all species of imported property should produce their just proportion of the revenue of the country. If you are about to free any particular article from the revenue-producing laws, there ought to be some special benefit derived by the American people in general from taking that particular article out of the general rule.

Why have you departed from that Democratic policy this year? Why have you departed from it in reference to the potato crop?

The only reason I can see for relieving the Canadian, the Australian, or the Argentine crop from the usual or proper duty upon imports for the purposes of revenue only is either that we are to be benefited generally or that there has been some sort of a trust in the production of these particular farm products.

If there is a trust in Maine or in New York among the farmers to uphold the price of potatoes, or if there is a like trust in Michigan or in Wisconsin or in Minnesota, I have not heard anything about it.

Then, if it is not because of the existence of a trust, it must be because the product is so high priced that it is an imposition upon the American public and the American farmer can not produce potatoes in this country at rates that are just to the rest of the American people. That can be the only ground for this action.

I should like some Senator who votes to put on the free list potatoes from Canada to tell me why he thinks potatoes have been too high and the price should be lowered by importing them free. As a rule, in my country, year in and year out, they will not average over 35 cents a bushel. They are to-day

so cheap that the farmers can not afford to export them out of the State. Yet I can not say that at the present time there would be any particular danger of an influx of the Canadian crop, because the potato crop generally is rather large in the United States, and they are so cheap that it would not even pay the Canadians to export them. But the time when we need protection is when we have a very poor crop and when our neighbors have a very good crop, because it will cost as much and even more per bushel to raise potatoes in case of a poor crop as it will cost when you get a rather full crop. That is the time when we ought to have protection. When it costs the farmer 40 or 50 cents a bushel to raise the potatoes and he has an American demand at that price, he ought to be entitled to sell them for that price. But by your legislation you say: "No; we will now fill your market with the foreign product, because our neighbors have had a prolific crop, and they can afford to ship them in for less than you can afford to raise them for."

Mr. President, this is simply a little amendment offered in good faith, with the hope that the other side will see the equity of treating our own people as kindly as they treat our neighbors.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from North Dakota to the amendment of the committee.

The amendment to the amendment was rejected.

The SECRETARY. The committee proposes the following amendment:

In line 22, after the word "section," insert:

Provided, That any of the foregoing specified articles shall be subject to a duty of 10 per cent ad valorem when imported directly or indirectly from a country, dependency, or other subdivision of government which imposes a duty on such articles imported from the United States.

The amendment was agreed to.

The SECRETARY. Paragraph 588, on page 148, relating to quinine, was passed over at the request of the Senator from Maine [Mr. JOHNSON].

Mr. WILLIAMS. That paragraph was passed over because the Senator thought I might have an amendment to make to it. He was mistaken. I have none. By the way, there is one amendment there to which I wish to call attention. The small "q" in line 25 ought to be a capital "Q."

The SECRETARY. It is proposed to strike out the following words:

Quinine, and its combinations with acids and compounds, not subject to duty in this section—

And to insert, with a capital "Q," the words:

Quinia, sulphate of, and all alkaloids or salts of cinchona bark.

The amendment was agreed to.

Mr. THOMAS. Mr. President, turning back to paragraph 585, I think the second comma after "potatoes," in line 21, should be eliminated.

The SECRETARY. On page 147, line 21, after the word "potatoes" where it occurs for the second time, it is proposed to strike out the comma.

The amendment was agreed to.

The SECRETARY. Paragraph 626, on page 152, relating to tanning material, was passed over at the request of the senior Senator from Connecticut [Mr. BRANDEGEE].

Mr. BRANDEGEE. That has been acted upon.

Mr. McCUMBER. I will ask if paragraph 621 was not also passed over?

The SECRETARY. Yes; paragraph 621 was passed over.

Mr. McCUMBER. I have an amendment to offer to that paragraph.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 152, at the end of line 18, it is proposed to insert a colon and the following words:

Provided, That any of the foregoing specified articles shall be subject to a duty of 25 per cent ad valorem when imported directly or indirectly from a country, dependency, or other subdivision of government which imposes a duty upon such articles imported from the United States.

Mr. McCUMBER. Mr. President, paragraph 621 purposes to put "swine, cattle, sheep, and all other domestic live animals suitable for human food not otherwise provided for" upon the free list.

I have asked the other side for reasons for putting other farm products upon the free list, and I have not yet received from them any suggestion of a real reason except that they desired to do so. I shall not again ask them the same question, but I wish to bring to their attention certain facts.

The countries that will export cattle to the United States after this bill becomes a law will be Canada, Australia, and Mexico. Possibly, there may be some from the Argentine, but I doubt if they will ship anything but meats. The Canadian import duty on cattle of all kinds is 25 per cent ad valorem. The Australian duty is $2.43 per head. The duty of the United States, under this bill, will be nothing.

If the American farmer wishes to export to Canada a steer worth $60, he will be compelled to pay a duty of $15. If the Canadian farmer desires to send a steer worth $60 into the United States, he will not be compelled to pay anything.

Does not every man acquainted with the stock-raising industry in the United States know that it costs the American farmer far more to raise a steer to the value of $60 than it costs the Canadian farmer? The Canadian northwest affords a pasturage for cattle superior to any part of the United States. Yet, notwithstanding the natural advantages which the Canadian farmer has over the American farmer, the Democratic Party accentuates the disadvantage of the American farmer by saying to him: "You must pay $15 duty to the Canadian Government if you take your steer across the line"; while to the Canadian farmer it says: "We will allow you to bring your steer into the United States and usurp the market of the American farmer without the payment of a penny."

I should like to have the chairman of the Finance Committee give me a single reason why the free-trade gate between this country and Canada should not swing both ways. Why do you pull down your customhouses on this side of the line, while the Canadian customhouses still stand on the other side? What spirit of servility has taken possession of your party that opens wide your door to the Canadian when he shuts his door in your face?

I do not expect to have any reason given why we should have free trade in meat products. This is a tariff bill for revenue only. I will admit that the intention is that it is not even for incidental protection, but it is a tariff for revenue only. The revenues of the country, whether levied by direct taxation or levied in any other form, should ordinarily bear equally upon all kinds of property, unless there is a particular reason why some specific property should be relieved from that taxation.

The point I am trying to get at is why the Democratic Party in a bill for raising revenue has carefully eliminated from the effect of that bill everything that comes in competition with the American farmer, or nearly everything, to be more correct. Somebody ought to have a benefit from it. It ought to help the majority, at least, of the American people. There are 33,000,000 Americans directly interested in agriculture—five times as many as are directly interested in any other single business in the United States. They are an important factor in our American citizenship. We are trying every year to bring the people back to the farm. Every man who utters that and then does not facilitate the means of getting the American citizen back to the farm in some way is uttering what he knows is absolutely baseless, because you will never get them back to the farm until you can make farming as remunerative as city employment.

Instead, therefore, of such legislation going as far as we can go by legislation in seeking to accentuate the drift of population from the city to the farm in every possible way, by this bill you are attempting to drive people from the farm into the city. You are attempting to drive the citizen away from the farm by opening up new fields of competition, when his struggle for existence is more strenuous to-day than in any other profession in the United States. Not one of you is ignorant of that fact.

Now, is it to cheapen the food product for the other two-thirds of the American people? I do not believe, and I doubt if you believe, that it will materially affect the retail price of meat in this country. But if it does affect the retail price to any extent whatever, is not the average man engaged in city employments far better able to pay the quarter of a cent, if it may be, a pound extra because of a reasonable tariff than the farmers of the country are able to lower the present price of their cattle, their sheep, and their swine? It requires four times as much expended energy upon a farm to produce a pound of beef as it does on the part of the city laborer to buy that pound of beef. Anyone acquainted with agricultural statistics and the comparative wages between the two classes will know this to be the truth.

I have already cited an excerpt from a report of the Agricultural Department giving the average earnings of the farms in the United States. I believe it is comparatively correct when it states that the average earnings of the average farmer of the United States and his family are not more than $318 per year net. The family is composed of, say, five adult persons, and it is about $60 each a year for the five, or about $5 a month for each person. These are the actual earnings as shown by the department. Everywhere we are opening up the gateways to create greater compensation. We are throwing away the little

revenue that the Government might derive from the levy of this tariff for the benefit of somebody. It is an injury to him. If it is not an injury to him it can not be a benefit to anybody else. If it is a benefit to anyone else then the injury a hundred times outweighs the little benefit.

Mr. President, I ask for a vote.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from North Dakota [Mr. MCCUMBER].

Mr. MCCUMBER. I ask for the yeas and nays upon the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the Senator from Michigan [Mr. TOWNSEND], which I transfer to the Senator from Virginia [Mr. MARTIN] and vote "nay."

Mr. CHILTON (when his name was called). I announce my pair with the Senator from Maryland [Mr. JACKSON], and withhold my vote.

Mr. MCCUMBER (when his name was called). I have a general pair with the senior Senator from Nevada [Mr. NEWLANDS]. I transfer that pair to the junior Senator from Maine [Mr. BURLEIGH] and vote "yea."

Mr. REED (when his name was called). I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BURTON]. I transfer that pair to the junior Senator from South Carolina [Mr. SMITH] and vote "nay."

The roll call was concluded.

Mr. REED. I transferred my pair a moment ago to the Senator from Arizona [Mr. ASHURST]. He has come into the Chamber, and I therefore withdraw my vote. I now transfer my pair to the Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. ASHURST. I vote "nay."

Mr. CHILTON. I transfer my pair, as previously announced, to the Senator from Oklahoma [Mr. GORE] and vote. I vote "nay."

Mr. JAMES. I wish to inquire if the junior Senator from Massachusetts [Mr. WEEKS] has voted?

The VICE PRESIDENT. He has not.

Mr. JAMES. I have a pair with that Senator and withhold my vote. If he were present, I should vote "nay."

Mr. CHAMBERLAIN (after having voted in the negative). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withdraw my vote.

Mr. STONE. I have a general pair with the Senator from Wyoming [Mr. CLARK]. As he happens to be absent, I withhold my vote.

Mr. LEWIS. I am paired with the Senator from North Dakota [Mr. GRONNA]. If he were present, I should vote "nay."

Mr. THORNTON. I desire to announce the necessary absence of the Senator from Alabama [Mr. BANKHEAD], and also that he is paired with the Senator from West Virginia [Mr. GOFF].

The result was announced—yeas 26, nays 37, as follows:

YEAS—26.

Bradley	Dillingham	Lodge	Root
Brandegee	Fall	McCumber	Sherman
Bristow	Gallinger	Nelson	Smoot
Catron	Jones	Norris	Stephenson
Clapp	Kenyon	Page	Sterling
Colt	La Follette	Penrose	
Cummins	Lippitt	Poindexter	

NAYS—37.

Ashurst	Lane	Robinson	Thomas
Bacon	Lea	Saulsbury	Thompson
Bryan	Martine, N. J.	Shafroth	Thornton
Chilton	Myers	Sheppard	Tillman
Fletcher	O'Gorman	Shively	Vardaman
Hitchcock	Owen	Simmons	Walsh
Hollis	Pittman	Smith, Ariz.	Williams
Hughes	Pomerene	Smith, Ga.	
Johnson	Ransdell	Smith, Md.	
Kern	Reed	Swanson	

NOT VOTING—32.

Bankhead	Crawford	Lewis	Smith, Mich.
Borah	Culberson	McLean	Smith, S. C.
Brady	du Pont	Martin, Va.	Stone
Burleigh	Goff	Newlands	Sutherland
Burton	Gore	Oliver	Townsend
Chamberlain	Gronna	Overman	Warren
Clark, Wyo.	Jackson	Perkins	Weeks
Clarke, Ark.	James	Shields	Works

So Mr. MCCUMBER's amendment was rejected.

The SECRETARY. The committee propose the following amendment to paragraph 621: Page 152, line 16, after the word "Swine," insert:

Cattle, sheep, and all other domestic live animals suitable for human food not otherwise provided for in this section.

The amendment was agreed to.

Mr. THOMAS. On behalf of the committee I offer a substitute for paragraph 326.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. Paragraph 326, page 96, woven fabrics, was passed over. Insert as a substitute the following:

326. Woven fabrics in the piece, composed wholly or in chief value of silk, not specially provided for in this section, weighing not more than one-third of 1 ounce per square yard, $3 per pound; weighing more than one-third of 1 ounce but not more than two-thirds of 1 ounce per square yard, if in the gum, $2.25 per pound; if ungummed, wholly or in part, $2.20 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $2.65 per pound; if weighing more than two-thirds of 1 ounce but not more than 1 ounce per square yard, if in the gum, $1.80 per pound; if ungummed, wholly or in part, $2 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $2.50 per pound; if weighing more than 1 ounce but not more than 1¼ ounces per square yard, if in the gum, $2.25 per pound; if ungummed, wholly or in part, $2 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $2.65 per pound; if weighing more than 1¼ ounces but not more than 2½ ounces, and if containing not more than 20 per cent in weight of silk, if in the gum, 55 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 70 cents per pound; if containing more than 20 per cent but not more than 30 per cent in weight of silk, if in the gum, 70 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 90 cents per pound; if containing more than 30 per cent but not more than 40 per cent in weight of silk, if in the gum, 90 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1 per pound; if containing more than 40 per cent but not more than 50 per cent in weight of silk, if in the gum, 95 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.35 per pound; if containing more than 50 per cent in weight of silk, or if wholly of silk, if in the gum, $1 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $2.20 per pound; if weighing more than 2½ ounces but not more than 8 ounces per square yard, and if containing not more than 20 per cent in weight of silk, if in the gum, 45 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 55 cents per pound; if containing more than 20 per cent but not more than 30 per cent in weight of silk, if in the gum, 65 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 75 cents per pound; if containing more than 30 per cent but not more than 40 per cent in weight of silk, if in the gum, 75 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1 per pound; if containing more than 40 per cent but not more than 50 per cent in weight of silk, if in the gum, $1 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1 per pound; if containing more than 50 per cent in weight of silk, or if wholly of silk, if in the gum, $1.80 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $2 per pound. Woven fabrics in the piece, composed wholly or of chief value of silk, if dyed in the thread or yarn, and the weight is not increased in dyeing beyond the original weight of raw silk, if containing less than 30 per cent in silk, 85 cents per pound; if containing more than 30 per cent but not more than 45 per cent in weight of silk, $1.05 per pound; if containing more than 45 per cent in weight of silk, $2.05 per pound; if weight is increased in dyeing beyond the original weight of raw silk, if weighing more than one-third of 1 ounce but not more than 1 ounce per square yard, if black (except selvedges), $2 per pound; if other than black, $2.50 per pound; if weighing more than 1 ounce but not more than 1½ ounces per square yard, if black (except selvedges), $1.70 per pound; if other than black, $2 per pound; if weighing more than 1½ but not more than 1⅞ ounces per square yard, if black (except selvedges), $1.50 per pound; if other than black, $2 per pound; if weighing more than 1⅞, but not more than 2 ounces per square yard, if black (except selvedges), $1.50 per pound; if other than black, $2 per pound; if weighing more than 2 but not more than 8 ounces per square yard, and if containing not more than 30 per cent in weight of silk, if black (except selvedges), 65 cents per pound; if other than black, 80 cents per pound; if containing more than 30 per cent but not more than 45 per cent in weight of silk, if black (except selvedges), $1 per pound; if other than black, $1.15 per pound; if containing more than 45 per cent in weight of silk but not more than 60 per cent, if black (except selvedges), $1.25 per pound; if other than black, $1.35 per pound; if containing more than 60 per cent in weight of silk, or if composed wholly of silk, and if having not more than 440 single threads to the inch in the warp, if black (except selvedges), $1.35 per pound; if other than black, $1.80 per pound; if having more than 440 but not more than 600 single threads to the inch in the warp, if black (except selvedges), $1.50 per pound; if other than black, $2 per pound; if having more than 600 but not more than 760 single threads to the inch in the warp, if black (except selvedges), $1.65 per pound; if other than black, $2 per pound; if having more than 760 but not more than 920 single threads to the inch in the warp, if black (except selvedges), $1.70 per pound; if other than black, $2.15 per pound; if having more than 920 single threads to the inch in the warp, if black (except selvedges), $2 per pound; if other than black, $2.50 per pound; if printed in the warp and weighing not more than 1½ ounces per square yard, $3 per pound; weighing more than 1½ but not more than 2 ounces per square yard, $2.75 per pound; weighing more than 2 ounces per square yard, $2.30 per pound. But in no case shall any goods made on Jacquard looms or any goods containing more than one color in the filling, or any of the goods enumerated in this paragraph, including such as have india rubber as a component material, pay a less rate of duty than 45 per cent ad valorem, nor a greater rate than 55 per cent ad valorem.

All manufactures of silk, or of which silk is the component material of chief value, including such as have india rubber as a component material, not specially provided in this section, 45 per cent ad valorem.

Mr. SMOOT. Mr. President, in the last line of the amendment just read either the Secretary misread it or the word "for" is omitted. It should read "provided for in this section." As the Secretary read it, it is "provided in this section." The word "for" ought to be inserted there.

The VICE PRESIDENT. The Secretary will read the language referred to by the Senator from Utah.

The Secretary read as follows:

Provided in this section.

Mr. SMOOT. As I have stated, it should be "provided for in this section."

The VICE PRESIDENT. The amendment will be so modified.

Mr. SMOOT. Mr. President, I am not going to discuss this amendment at all. It proposes specific instead of ad valorem rates. That means that there are some of the rates that are very low indeed, and I am only going to make one remark in relation to the matter. The maximum rate provided in the bill is 55 per cent. In my opinion, that should be 65 per cent. I wish to state merely in a few words why that should be the rate.

There are the very finest silk goods manufactured, we will say, in France or in Japan; they are very popular; they sell at a good price; but just as soon as their popularity is gone the price is immediately cut in two and sometimes even more. Those goods are shipped into this country, and, of course, their value being so low, even the 55 per cent ad valorem rate, which is the maximum here, would be very little protection, if any.

With that statement I shall say no more, Mr. President, except merely to add that I should be very glad to have specific duties provided for instead of ad valorem duties.

Mr. JONES. Mr. President, I simply want to know what is being voted on. It sounded like the reading of an entire tariff bill.

Mr. HUGHES. I will say to the Senator from Washington that it is an amendment substituting specific for ad valorem rates.

Mr. JONES. In what paragraph or schedule?

Mr. HUGHES. Paragraph 326 of the silk schedule. The ad valorem rates are changed into specific rates and a maximum clause is provided, so as to catch any hidden rates.

Mr. JONES. Has the matter been considered in the Senate as in Committee of the Whole at all?

Mr. HUGHES. It is being considered now.

Mr. JONES. The amendment was just read a moment ago, and I was curious to know whether the other side thinks it ought to be adopted without any discussion or consideration.

Mr. HUGHES. The paragraph was passed over at the request of the Senator from Utah.

Mr. JONES. If Senators on the other side want it acted on in that way, I have no objection.

The VICE PRESIDENT. The question is on the amendment.

The amendment was agreed to.

Mr. BRANDEGEE. Mr. President, I should like to offer an amendment to paragraph 360, on page 112, which I send to the desk.

The SECRETARY. In paragraph 360, page 112, in line 1, after the word "descriptions," it is proposed to insert "except of wool or hair or both and."

Mr. BRANDEGEE. Mr. President, I offer that amendment for this reason: I have here the following letter from a maker of gun wads:

NORWALK, CONN., *June 10, 1913.*

Hon. FRANK B. BRANDEGEE,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: A rather peculiar feature of the proposed tariff bill appears in relation to a product by a corporation in which I am interested. This company, the Lounsbury & Bissell Co., of Norwalk, manufactures a felt of wool and cattle hair, which is shipped in sheets to the manufacturer of gun wads.

We are informed that this sheet felt if imported would be subject to a 35 per cent ad valorem tariff under Schedule K, paragraph 297, page 87, but if the foreign manufacturer will only cut that felt up into gun wads—in other words, apply a little more labor—it will then be admitted on a 10 per cent ad valorem under section 360 of the proposed bill, which provides "gun wads of all descriptions, 10 per cent ad valorem." If section 360 could be amended to read "gun wads of all descriptions, except of wool or hair, or both, 10 per cent," it would make the provisions of the bill more consistent.

For what particular reason ammunition manufacturers should obtain the manufactured wad cheaper than they can already manufacture felt sheet is something that I can not grasp, and I have not been able to find anyone to explain why 360 was inserted in the proposed bill.

Will you kindly take this up and present to the committee the inconsistency and, it at least seems to me, the injustice of such a provision? The competition for the felt sheet will be keen enough, but to give the foreign manufacturer a bonus of 25 per cent in addition, as the effect of 360 will be, seems to me to present an oversight by the drafters of the bill. It probably will be expensive enough for us to readjust ourselves, if possible, to the new conditions under the reduced rate, but to have this additional handicap is certainly unfair, especially when I can neither find nor learn of any reason for the insertion of such a provision.

Very truly, yours, EDWIN O. KEELER.

Mr. President, that argument appeals to me. If it is a fact, as it appears, that the felt sheets of which these gun wads are made carry a duty under Schedule K of 35 per cent, why the manufactured products of that should only carry a duty of 10 per cent I do not see. I therefore have offered the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Connecticut.

The amendment was rejected.

The SECRETARY. The next paragraph passed over is paragraph 626, at the request of Mr. BRANDEGEE. The paragraph relates to tanning material, and so forth.

Mr. BRANDEGEE. That paragraph was acted on the other day, and I shall not ask any further vote on it.

The SECRETARY. The amendment proposed by the committee in paragraph 626, page 152, line 24, after the word "quebracho," is to strike out "of nutgalls, of Persian berries," and to insert "and," and in line 25, after the word "bark," to strike out "of sumac."

The amendment was agreed to.

The next amendment passed over was, in paragraph 626, page 153, line 1, after the word "chestnut," to strike out the semicolon.

The amendment was agreed to.

Mr. JOHNSON. Mr. President, in paragraph 629, on page 153, line 12, on behalf of the committee, I move to amend by inserting, after the word "Tea," the first word in the paragraph, the words "not specially provided for in this section."

Mr. SMOOT. That is to provide against the paragraph in which tea sweepings are provided for?

Mr. JOHNSON. Yes; that is the object of the amendment. Tea sweepings have a place on the dutiable list.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Maine [Mr. JOHNSON].

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask that paragraphs 646, 651, 657, and 658 be passed over to-night. The senior Senator from North Dakota [Mr. MCCUMBER] desires to speak upon paragraph 646, and the Senator——

Mr. STONE. What is that paragraph?

Mr. SMOOT. The paragraph containing the provision putting wheat upon the free list with a countervailing duty.

Mr. GALLINGER. I suggest to the Senator to let them be reached in order and then to make the request.

Mr. STONE. Are we to have the Senator's speech on wheat repeated?

Mr. SMOOT. Let the paragraphs come up in their regular order, and I will then request that they go over.

The SECRETARY. The next paragraph passed over is paragraph 646, wheat, wheat flour, semolina, etc.

Mr. SMOOT. I ask that that paragraph go over.

Mr. WILLIAMS. What is the reason for passing it over?

Mr. SMOOT. The senior Senator from North Dakota [Mr. MCCUMBER] has an amendment to offer to that paragraph. Not thinking that the Senate would remain in session longer than 6 o'clock, he made an appointment, because of which he was compelled to leave the Senate. He asked me to request that the paragraph go over until to-morrow morning.

Mr. WILLIAMS. Mr. President, we can not object to these requests. It seems to be a custom of the Senate to agree that whenever it is inconvenient for a Senator to be present——

Mr. SMOOT. I will say to the Senator that I am just as anxious as he is to get through.

Mr. WILLIAMS. That the public business of 90,000,000 people ought to be halted.

Mr. SMOOT. I think that is hardly a proper thing to say.

Mr. THOMAS. Mr. President, with the consent of the Senator from Utah, I want on behalf of the committee, to offer an amendment to paragraph 646, which does not affect the purpose for which it is to go over. I send the amendment to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In the committee amendment in paragraph 646, page 156, after the words "United States," line 7, it is proposed to insert the following proviso:

Provided further, That the importation of weed seeds, whether or not mixed with bran or wheat screenings, is prohibited unless the same shall have been ground or otherwise treated so that the seeds will not germinate.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The paragraph will be passed over until to-morrow morning.

The SECRETARY. Paragraph 649, on page 156, was passed over at the request of Mr. JONES.

Mr. JONES. I will not ask for any delay on that. If I have any amendment to offer, I will offer it in the Senate.

The SECRETARY. The next paragraph passed over is on page 157, paragraph 651.

Mr. POINDEXTER. Mr. President, my attention was diverted when we passed paragraph 649. What disposition was made of it?

The VICE PRESIDENT. It has been agreed to as it stands.

Mr. POINDEXTER. I offer an amendment to that paragraph.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 157, line 6, after the word "section," at the end of the paragraph, it is proposed to insert the following proviso:

Provided, That when an export duty is imposed by any foreign country, or any Province or subdivision thereof, on logs, blocks, or other raw material from which lumber or shingles are manufactured, or if the export of such logs or raw material from such foreign country, or any Province or subdivision thereof, into the United States shall be prohibited, then in either event there shall be levied and collected a duty of $1.25 per thousand feet upon lumber and 25 cents per thousand upon shingles imported into the United States from such foreign country.

Mr. POINDEXTER. Mr. President, I will ask the committee if it would be willing to consider this amendment? It seems to me that it is an eminently fair and reasonable one. It meets a condition which exists in British Columbia. From some particular classes of land in British Columbia there is a prohibition of the export of logs into the United States.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. POINDEXTER. I yield to the Senator.

Mr. SIMMONS. If the Senator is willing to let that amendment be referred to the committee, we will be glad to take it up to-night and consider it.

Mr. POINDEXTER. I shall be delighted to have it take that course.

The SECRETARY. Page 157, paragraph 651, mechanically ground wood pulp, etc., has been passed over.

Mr. GALLINGER. Mr. President, let that paragraph go over, the Senator from Massachusetts being absent and desiring to address some remarks to that paragraph. I will venture to make the suggestion that it is not a loss of time in any event, because, unless the request is acceded to, the matter will be taken up in the Senate and the same amount of time consumed.

The SECRETARY. On page 159, paragraph 654, works of art, etc., was passed over at the request of Mr. LODGE.

Mr. SMOOT. I ask that that paragraph go over.

The VICE PRESIDENT. The paragraph will be passed over.

The SECRETARY. On page 162, paragraph 657 was recommitted to the committee. It relates to works of art, productions of American artists, etc.

Mr. SMOOT. If the committee are going to offer an amendment to this paragraph I should like to have them do so when the Senator from Massachusetts is here.

Mr. WILLIAMS. Before the paragraph goes over I should like to have the committee amendment to it as it stands adopted.

Mr. BRANDEGEE. Did I understand the Secretary to say that that paragraph had already been recommitted?

The VICE PRESIDENT. The Chair understands it has heretofore been recommitted to the committee.

Mr. BRANDEGEE. Then, it is now in the hands of the committee.

Mr. WILLIAMS. I understand that, but it has come back and the committee is ready to report. The Senator from Utah has requested that it be again passed over. Before it is passed over again, I should like to have the amendment which the committee has recommended adopted here. The first amendment is to strike out the words "excluding and," in line 15, and to substitute for them the word "including."

Mr. THOMAS. In other words, it is to restore the House provision.

Mr. WILLIAMS. The committee amendment should be disagreed to. I move that the Senate committee amendment there be disagreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

Mr. WILLIAMS. That will leave it just where we want it. In line 14, I ask on behalf of the committee that the amendment inserting the indefinite article "a" and striking out the word "incorporated" be accepted.

The SECRETARY. In line 14, after the word "or" it is proposed to insert the article "a" and to strike out the word "incorporated" before the word "religious."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WILLIAMS. In line 17, after the word "windows," I move to strike out the comma and to insert the words "imported to be used in houses of worship."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "windows," in line 17, it is proposed to strike out the comma and to insert "imported to be used in houses of worship."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WILLIAMS. Now that the amendment has been perfected according to the committee's ideas, we will pass it over.

Mr. SMOOT. Does the Senator, then, want to disagree to the amendment of the Senate committee in relation to the words "excluding" and "except"?

Mr. THOMAS. No.

Mr. SMOOT. What are you going to do with those?

Mr. WILLIAMS. We move to strike out the word "except," in line 17, and to insert in lieu thereof the word "excluding."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On line 17, page 162, the committee proposes to strike out the word "except" and to insert the word "excluding."

The amendment was agreed to.

Mr. WILLIAMS. Now it is perfected.

Mr. SMOOT. Now, let it go over, Mr. President.

The VICE PRESIDENT. The paragraph will be passed over.

The SECRETARY. Paragraph 658, the following paragraph, has been passed over at the request of the Senator from Massachusetts.

Mr. SMOOT. I should like to have that go over until to-morrow morning.

The VICE PRESIDENT. That concludes the section.

Mr. JOHNSON. Mr. President, I should like to refer to the chemical schedule for a few changes.

In paragraph 65, page 16, line 24, I move to strike out the words "chlorate of."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 16, paragraph 65, line 24, it is proposed to strike out the first two words in the line, the words "chlorate of," and the comma.

The amendment was agreed to.

Mr. JOHNSON. On page 147, paragraph 584, line 17, after the semicolon following the words "cyanide of," I move to insert the words "chlorate of."

Mr. SMOOT. Putting chlorate of potash on the free list?

Mr. JOHNSON. Yes; putting chlorate of potash on the free list.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 147, paragraph 584, line 17, after the words "cyanide of" and the semicolon, it is proposed to insert the words "chlorate of" and a semicolon.

The amendment was agreed to.

Mr. JOHNSON. On page 17, paragraph 67, line 6, after the word "soaps" and the colon, I move to strike out the word "Perfumed" and make the first letter of the word "toilet" a capital letter.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 17, line 6, it is proposed to strike out the second word in the line, the word "Perfumed"; also, to strike out the word "toilet" and insert the same word with a capital letter before the word "soaps."

The amendment was agreed to.

Mr. JOHNSON. In the same line, I move to strike out the numerals "40" and in lieu thereof to insert "30."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 17, line 6, it is proposed to strike out "40" and insert "30."

The amendment was agreed to.

Mr. JOHNSON. In line 7 of the same paragraph I move to strike out the numerals "30," and insert in lieu thereof the numerals "20."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 17, line 7, before the words "per centum," it is proposed to strike out "30" and insert "20."

The amendment was agreed to.

Mr. JOHNSON. In line 8, after the word "soap" and the comma, I move to strike out the words "and unperfumed toilet soap."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to strike out, in line 8, after the word "soap" and the comma, the words "and unperfumed toilet soap."

The amendment was agreed to.

Mr. JOHNSON. In line 9, after the word "soaps," I move to insert the words "and soap powders."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "soaps," in line 9, it is proposed to insert the words "and soap powders."

The amendment was agreed to.

The SECRETARY. On page 166, in section 2 of the bill, the clause of the committee amendment beginning in line 14, with the words "For the purpose of this additional tax," was passed over and recommitted at the request of the Senator from Mississippi [Mr. WILLIAMS].

Mr. CUMMINS. Mr. President, as we passed through the bill I offered an amendment to be inserted immediately after the free list and before the income-tax provision. It was referred to the committee. I have no desire to take it up at this moment if the committee is not ready to report upon it.

Mr. WILLIAMS. The committee desires to offer an amendment, which I will send to the desk.

Mr. CUMMINS. I assume, Mr. President, that that is not the amendment to which I have referred.

The VICE PRESIDENT. The Chair is unable to tell until the Chair hears the amendment.

Mr. WILLIAMS. The committee wishes to perfect the paragraph by amending it.

Mr. CUMMINS. But, Mr. President, a parliamentary inquiry. Am I entitled to the floor?

Mr. WILLIAMS. I thought I had the floor. The first thing in order is the report of the committee. The paragraph had been recommitted and the committee is ready to report.

The VICE PRESIDENT. The Senator from Iowa is inquiring about the previous section.

Mr. WILLIAMS. Oh, the previous section. I did not so understand.

The VICE PRESIDENT. The Senator from Iowa undoubtedly is entitled to the floor.

Mr. CUMMINS. I rose simply to ask a question.

As we passed through the bill I offered an amendment relating to rates of freight on imports as distinguished from rates of freight upon domestic production. At the request of the chairman of the Finance Committee, my amendment was referred to the committee. I have not heard anything about it since. I rose to inquire whether the committee is ready to report upon it.

Mr. WILLIAMS. The committee is ready to report upon it; but I thought we were considering the committee amendments first.

I will state to the Senator from Iowa that the committee took the amendment into careful consideration. We came to the conclusion, in the first place, that the Senator was going to have rates declared discriminatory and unequal and cancel them whenever they were import rates forming a part of a joint-traffic rate, but that wherever they were export rates he made no provision at all to cover the matter. His amendment, therefore, did not work both ways. He seemed to be willing to let an inequality exist between freight rates from Pittsburgh to New York, for example, for consumption in New York, and freight rates from Pittsburgh to New York en route to Liverpool.

The committee therefore reports to the Senate that this is a matter for the consideration of the Committee on Interstate Commerce, being a question of railway rates. The Committee on Finance accordingly asks that it be relieved of the consideration of the subject matter, and that it be referred to the Committee on Interstate Commerce.

Mr. CUMMINS. Mr. President, I then offer the amendment. It is in the possession of the Secretary, I assume, if the committee has returned it. It is to be inserted immediately after paragraph 659 on page 164.

At the request of the chairman of the committee, I did not submit my views upon this matter at all, and it remains unargued as far as I am concerned. I wish to be heard upon it briefly, but I do not wish to be heard upon it to-night. We have reached a time when we ought to adjourn, I think. I ask the pleasure of the chairman of the committee in that regard.

Mr. SIMMONS. At the time the Senator brought up his amendment a few moments ago my attention was diverted from the proceedings of the Senate, and I did not know he had brought it up until I heard the statement made by the Senator from Mississippi.

The Senator is correct in his statement that I suggested to him at the time he offered his amendment that he refrain from discussing it at that time and let it go to the committee. What the committee did about it was to reach the conclusion that it would be better not to encumber this measure with legislation of that particular character. We thought it was more properly legislation that was affiliated with and connected with and related to railroad transportation, and our suggestion is that that is the proper place for it. Of course, if the Senator desires, however, to discuss the matter and to offer it as an amendment to this bill, we shall have to act upon it.

Mr. WILLIAMS. I will make the point of order that it is not germane. It is clearly a matter of fixing freight rates, and is not germane to the bill.

Mr. GALLINGER. Mr. President, I suggest that the Senator's point of order is not well taken.

Mr. CUMMINS. There is no rule in this body requiring an amendment to be germane.

Mr. GALLINGER. Except to an appropriation bill.

Mr. CUMMINS. Except to an appropriation bill. However, I have no disposition to go on to-night, in view of our decimated numbers here.

Mr. GALLINGER. Mr. President, we have been here now for almost eight hours, and it has been a very hot day. As the Senator from Iowa desires to have this matter go over until to-morrow, I hope the chairman will agree now to lay the bill aside. I understand a short executive session is desired.

Mr. SIMMONS. I had hoped that we might go on until 7 o'clock, but I am advised that it is desirable to have an executive session. In view of that fact, I ask that the bill may be laid aside for the day.

EXECUTIVE SESSION.

Mr. KERN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 6 o'clock and 57 minutes p. m.) the Senate adjourned until to-morrow, Friday, September 5, 1913, at 2 o'clock p. m.

NOMINATIONS.

Executive nominations received by the Senate September 4, 1913.

MINISTERS.

Thomas H. Birch, of New Jersey, to be envoy extraordinary and minister plenipotentiary of the United States of America to Portugal, vice Cyrus E. Woods, resigned.

Charles J. Vopicka, of Illinois, to be envoy extraordinary and minister plenipotentiary of the United States of America to Roumania, Servia, and Bulgaria, vice John B. Jackson, resigned.

APPRAISER OF MERCHANDISE.

Bernard B. McGinnis, of Pennsylvania, to be appraiser of merchandise in the district of Pittsburgh, in the State of Pennsylvania, in place of John D. Pringle, superseded.

COLLECTOR OF INTERNAL REVENUE.

C. Gregg Lewellyn, of Pennsylvania, to be collector of internal revenue for the twenty-third district of Pennsylvania, in place of Daniel B. Heiner, superseded.

UNITED STATES ATTORNEYS.

John H. Gleason, of New York, to be United States attorney for the northern district of New York, vice George B. Curtiss, whose term has expired.

Francis Fisher Kane, of Pennsylvania, to be United States attorney, eastern district of Pennsylvania, vice John C. Swartley, resigned.

PROMOTIONS IN THE ARMY.

COAST ARTILLERY CORPS.

Lieut. Col. Harry L. Hawthorne, Coast Artillery Corps, to be colonel from September 2, 1913, vice Col. Frederick Marsh, retired from active service September 1, 1913.

Maj. Henry D. Todd, jr., Coast Artillery Corps, to be lieutenant colonel from September 2, 1913, vice Lieut. Col. Harry L. Hawthorne, promoted.

Capt. William Forse, Coast Artillery Corps, to be major from September 2, 1913, vice Maj. Henry D. Todd, jr., promoted.

First Lieut. Carr W. Waller, Coast Artillery Corps, to be captain from September 2, 1913, vice Capt. William Forse, promoted.

APPOINTMENTS IN THE ARMY.

COAST ARTILLERY CORPS.

Corpl. Edward Oliver Halbert, Forty-seventh Company, Coast Artillery Corps, to be second lieutenant in the Coast Artillery Corps, with rank from August 30, 1913.

Master Gunner Harry Lee King, Coast Artillery Corps, to be second lieutenant in the Coast Artillery Corps, with rank from August 30, 1913.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. Commander Frank Lyon, an additional number in grade, to be a commander in the Navy from the 1st day of July, 1913.

Lieut. Commander John McC. Luby to be a commander in the Navy from the 1st day of July, 1913.

Lieut. Frederick L. Oliver to be a lieutenant commander in the Navy from the 1st day of July, 1913.

Lieut. (Junior Grade) Arthur A. Garcelon, jr., to be a lieutenant in the Navy from the 1st day of July, 1913.

Stanley E. Crawford, a citizen of Pennsylvania, to be an assistant surgeon in the Medical Reserve Corps of the Navy from the 25th day of August, 1913.

RECEIVERS OF PUBLIC MONEYS.

Joseph E. Terral, of Hobart, Okla., to be receiver of public moneys at Woodward, Okla., vice Charles C. Hoag, term expired May 21, 1913.

D. E. Burkholder, of Chamberlain, S. Dak., to be receiver of public moneys at Gregory, S. Dak., vice Oliver C. Kippenbrock, term expired March 15, 1913.

REGISTER OF THE LAND OFFICE.

Edwin M. Starcher, of Fairfax, S. Dak., to be register of the land office at Gregory, S. Dak., vice Thomas C. Burns, term expired March 15, 1913.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 4, 1913.

AMBASSADOR.

Henry Morgenthau to be ambassador extraordinary and plenipotentiary to Turkey.

SECRETARY OF EMBASSY.

Edward Bell to be second secretary of embassy at London, England.

SECRETARY OF LEGATION.

John Van A. MacMurray to be secretary of legation at Peking.

POSTMASTERS.

IOWA.

M. H. Kelly, Waterloo.
J. S. Wildman, Blockton.

PENNSYLVANIA.

Samuel K. Henrie, Youngwood.
George F. Kittelberger, Curwensville.
Harry B. Krebs, Mercersburg.
Edward J. Loraditch, Sand Patch.
William H. McQuilken, Glen Campbell.
Charles E. Putnam, Linesville.
John H. Shields, New Alexandria.
Clayland M. Touchstone, Moores.

WITHDRAWAL.

Executive nomination withdrawn September 4, 1913.

RECEIVER OF PUBLIC MONEYS.

Joseph E. Terrell to be receiver of public moneys at Woodward, Okla., which was sent to the Senate August 29, 1913.

HOUSE OF REPRESENTATIVES.

THURSDAY, *September 4, 1913.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite and Eternal Spirit, Father of all souls, we bless Thee that Thou hast spared our lives and brought us to the light of this day. Keep us, we beseech Thee, throughout its remaining hours to the high-water mark of Christian manhood, that whatever work we may accomplish may be to the good of the common weal and redound to Thy glory. And Thine be the praise, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SALE OF MEAT IN ENGLAND.

Mr. KINKEAD of New Jersey. Mr. Speaker, I ask unanimous consent that the letter which I send to the Clerk's desk be read.

Mr. FOSTER. Reserving the right to object, what is the letter about?

Mr. KINKEAD of New Jersey. It is about the sale of meat in England, showing the discrepancy in the price.

Mr. FOSTER. I object, Mr. Speaker.

Mr. MANN. Reserving the right to object——

Mr. BORLAND. Objection has already been made.

URGENT DEFICIENCY BILL.

Mr. FITZGERALD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7898, a bill making appropriations to supply urgent deficiencies in appropriations for the fiscal year 1913, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7898, with Mr. FLOOD of Virginia in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7898. The Clerk will report the title of the bill.

The bill was reported by title.

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

The Clerk read as follows:

CIVIL SERVICE COMMISSION.

Examination of fourth-class postmasters: For necessary additional office employees, printing, stationery, travel, contingent, and other necessary expenses of examinations, $30,000; field examiners at the rate of $1,500 per annum each, for work in connection with members of local boards and other necessary work as directed by the commission, $9,000; in all, $39,000, to be available during the fiscal year 1914.

Mr. KINKEAD of New Jersey. Mr. Chairman, I move to strike out the last word.

Mr. BARTLETT. Mr. Chairman——

Mr. KINKEAD of New Jersey. I do so for the purpose of asking that the communication I send to the Clerk's desk be read in my time.

Mr. FOSTER. Mr. Chairman, I object.

Mr. KINKEAD of New Jersey. Mr. Chairman, the gentleman is clearly out of order. I have been recognized, and I am talking under the five-minute rule.

Mr. FOSTER. The letter, I will say to the gentleman from New Jersey, can only be read by unanimous consent.

The CHAIRMAN. The gentleman can read the letter himself if he desires to do so.

Mr. BORLAND. Mr. Chairman, I reserve the point of order, that the letter does not apply to the paragraph under debate.

Mr. FITZGERALD. I make the point of order that it is too late. Debate has already commenced and an amendment has been offered.

Mr. BORLAND. No debate has commenced.

Mr. FITZGERALD. The amendment has been offered.

Mr. KINKEAD of New Jersey. This letter, I will say, Mr. Chairman, comes from the Rev. John J. Lawrence, of Binghamton, N. Y., and it reads as follows:

255 WASHINGTON STREET,
Binghamton, N. Y., September 2, 1913.

EUGENE F. KINKEAD, Esq.

MY DEAR SIR: Your two telegrams of yesterday are to hand. I presume that any newspaper statement you have seen connecting my name with a criticism of the American Beef Trust must have been based upon the statements made by a reporter in the Binghamton Press of last Saturday. That account was "written up" by a reporter in a way distasteful to me, and terms and phrases were used for which my interview gave no warrant. I will place the whole case before you very carefully.

I have long had a suspicion that some American productions are sold more cheaply in Great Britain than at home, and on my recent visit I promised a friend that I would compare the prices of American meat in England with the prices here.

On or about Wednesday, July 30, my daughter and I visited the city of Hereford, England. It is not a large city (probably not more than 20,000 people). The railway station is at one extreme end of the city; in fact, there appears to be a walk of nearly one-fourth of a mile from the station before getting right into the city.

On our way from the station, on the left-hand side, and just past the entrance into Hereford, we noticed a meat store, with prices affixed to nearly every piece of meat for sale.

Mr. FOSTER. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FOSTER. The gentleman is not speaking to his amendment.

The CHAIRMAN. The gentleman from New Jersey will suspend the reading. The point of order is made that the gentle-